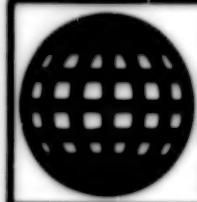


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JPRS Report

East Europe

East Europe

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CONTENTS

27 May 1992

UGARIA

- Official Concern With Fighting in Moldova /BTA/
Solystra Wants Action Against Romanian Claims /BTA/
International Agreements, Crime Rate Viewed /BTA/
Russia Agrees To Buy Uranium Concentrate /PODAKREP/ (16 May)

CZECHOSLOVAKIA

- Havel Criticized for Handling of Slovak Issues /SLOBODNY PLATOK/ 24 Apr/
Carnogursky on 1945 Liberation Anniversary /Bratislava Radio/
ODS Deputy Chairman Looks at Election Prospects /RESPEKT/ 22 Apr/
Arms Production Conversion Problems Examined /EKONOM/ 23 Apr/
Criticism of Aspects of Wage Regulation /EKONOM/ 23 Apr/
Recovery May Come Sooner Bank Director Says /LIDOVE NOVINY/ 15 May/
Wolikova on Slovak Social Economic Situation /LIDOVE NOVINY/ 25 Apr/
Release of Data on Private Entrepreneurs /HOSPODARSKE NOVINY/ 18 May/
SEZES Economist Discusses His New Book /SLOVENSKY NAROD/ 14 Apr/
Environmental Pollution Penalty Changes Discussed /EKONOM/ 23 Apr/

HUNGARY

- Lobbying, Conflict-of-Interest Rules Condemned /HETI VILAG/ 16/4ZDAS/ 18 Apr/
Agreement on 1992 Interest Rates Not Expected /TOZSDE KURIR/ 2 Apr/
MNB Official: Internal Convertibility Exists /TOZSDE KURIR/ 2 Apr/
Budapest Bank President Bakros Interviewed /HETI VILAG/ 16/4ZDAS/ 18 Apr/
Continued Use of Personal ID Numbers Discussed /HETI VILAG/ 16/4ZDAS/ 11 Apr/
Toxic Waste Remains Problem Despite Publicity /NEPSZABADSAG/ 17 Apr/

POLAND

- New Measures, Internal Policing of Customs /RYNKI ZIGRANICZNE/ 23 Apr/
Defense Industry Restructuring Proposal Outlined /RZECZPOSPOLITA/ 23 Apr/
Progress of Negotiations With EFTA Reviewed /RZECZPOSPOLITA/ 23 Apr/
Euroregion Nysa Found To Be in Draft Stage /GAZETA PRZEMYSLOWA I HANDLOWA/ 12/26 Apr/
French-Polish Chamber of Trade Described /GAZETA PRZEMYSLOWA I HANDLOWA/ 12/26 Apr/
Turnover of Rural Real Estate Expected /RZECZPOSPOLITA/ 18/20 Apr/

ROMANIA

- Culture Ministry Official Criticizes City Mayor /ROMANIA LIBERĂ/ 11 May/
Camporosu: Former PNL Members on Resignations /ADEIU LIBERĂ/ 11 May/
Journalists Discuss Roles as Secularist Influencers
 Marculescu Cries 'Blackmail' /22/15/21 May/
 Stănescu 'Saved Lives' /22/15/21 May/

CROATIA

Yugoslav Army Reportedly Moving in Circles /NOVITIJESENJE/ 17 May/

37

YUGOSLAVIA

U.S. Accused of Acting Against Wrong Party /TANJUG/	38
Desperate Situation of EC Observers Described /Hamburg DER SPIEGEL 19 May/	38
Preelection Division in 3 Serbian Parties /NIN 8 May/	40
Serbia Commentator Assesses Purge of Generals /NEDELJNA BORBA/ 16/17 May/	41
Macedonian Security Council Membership /NOVI MAKEDONIJA/ 17 May/	43
Loyalty Oath for First Macedonian Conscripts /NOVI MAKEDONIJA/ 17 May/	43

27 May 1992

BULGARIA

1

Official Concern With Fighting in Moldova

61 280509/492 Sofia BT 4 in English 0839 GMT
26 May 92

[Bulgaria Is Concerned Over Fighting in Moldova—
BTA Report "Bulgaria"]

[Text] Sofia, May 26 (BTA)—Bulgaria is concerned over the escalation of fighting in Moldova, where President Mircea Snegur announced the possible introduction of war-time measures, says today's DEMOKRATIYA, the daily of the Union of Democratic Forces, quoting an unidentified Foreign Ministry official.

According to him, the reason for Bulgaria's concern is that there is a considerable Bulgarian minority in Moldova, whose security cannot be guaranteed in the conditions of continuing fighting between the Moldovan authorities and the Russian-Ukrainian majority on the left bank of the Dniester River. The diplomatic source reminds that there are about 100,000 Bulgarians in Moldova.

Bulgaria, whose position was expressed in a declaration of the Foreign Minister and was confirmed by Foreign Minister Simeon Gabov in Helsinki, supports the efforts for a peaceful settlement of the conflict in Moldova, says the Foreign Ministry official. The Foreign Ministry may issue a new declaration after it checks the information about the conflict and the problems of the Bulgarian minority in Bessarabia, the unidentified source predicts.

Silistra Wants Action Against Romanian Claims

61 2805180842 Sofia BT 4 in English 1737 GMT
21 May 92

[BTA report "Can Southern Dobruzhia Become Apple of Discontent?"]

[Text] Silistra, May 21 (BTA)—The citizens of the town of Silistra on the Danube are expecting the Bulgarian Government to take "an official and firm stand" on the publications which have appeared in the Romanian press of Romania's territorial claims on southern Dobruzhia. This is pointed out in a letter to the pressurist and the prime minister by the chairman of the Municipal Council of Silistra, Vasil Katalin, and the mayor of Silistra, Stoyan Plugaro. The letter expresses concern over the claims of the political campaign alliance in Romania "United Democratic Convention" for the restoration of the Romanian borders of 1913. The citizens of Silistra protest against "the latest political provocation" of the nationalistic circles in Romania and describe their territorial claims as dangerous for the "patriotic feelings and national prestige of Bulgaria." That is why we must in an official and firm reaction to such provocations aimed at destabilizing the relations with Romania. The letter of the leaders of Silistra reads: It means that the Bulgarian Government requires "an official stand on the part of the Romanian authorities."

International Agreements, Crime Rate Viewed

61 2805181702 Sofia BT 4 in English 0841 GMT
26 May 92

[Text] Sofia, May 26 (BTA)—President Zhelito Zhelov is to lead the Bulgarian delegation to the UN Conference on

Environment and Development to be held in Rio de Janeiro from June 3 through 11, 1992. It was decided at the session of the government which ended late last night. Together with Foreign Minister Simeon Gabov, the president will attend the last stage of this conference when the final documents will be signed at summit level. The government also approved the draft conventions to be signed at the forum by the minister of environment Mr. Valentin Savlev on behalf of Bulgaria.

The draft agreement on Bulgarian-Venezuelan cooperation in culture, science and education was also approved. This agreement is to provide the basis for the forthcoming talks and the signing of the respective intergovernmental documents.

The cabinet approved a Bill on the Amendment of the Criminal Code introduced by the ministers of justice and internal affairs. The changes, which the sponsors believe are indispensable, aim at facilitating the combat of crime and the preventing of criminal activities in the economic sector.

As Bulgaria still lacks a state coat of arms and a new one of coats should be put into circulation, the government stipulated the conditions for its design. The coats will carry the inscription "Republic of Bulgaria" and will feature elements of the Bulgarian flora and fauna, historical symbols and architectural monuments instead of the coat of arms. The Council of Ministers decided.

The government discussed several possibilities for the use of former Party House of the Bulgarian Socialist Chamber Constituent Party in the centre of Sofia. The final decision will be made after a public opinion poll and a specially appointed expertise.

Russia Agrees To Buy Uranium Concentrate

61 2805181702 Sofia PRIC8.B3 P 1 - Bulgaria
26 May 92 pp 1-2

Interview with Zhus Karakash, deputy chairman of the Board of the National Electric Company in Plovdiv, place and date not given. Russia Is Interested To Purchase Bulgarian Uranium?

[Text] At the end of April, a Bulgarian delegation held talks in Moscow with interested Russian organizations and ministries on the problems of exporting Russian-produced nuclear fuel for the Kardzhali Nuclear Power Plant and importing Bulgarian uranium concentrate into Russia. Mr. Zhus Karakash, deputy chairman of the Board of the National Electric Company, discussed this subject with a representative of the TBT O Editorial Board.

[Prov] Mr. Karakash, the sale of uranium mining requires thousands of workers in the Rare Metals Company. Do the results of the Moscow talks offer any grounds for hope?

Karakash: The talks with our compounding partners had several purposes. One of them was for us to announce the amounts of fuel required to operate the four units at the Kardzhali Nuclear Power Plant during 1993. In addition, we asked for additional offers to supply ready-to-use fuel elements produced from Soviet raw materials and offers for elements using Bulgarian uranium concentrate. We reached

BULGARIA

a mutual agreement that both sides are interested in long-term contracts that greatly depend on the prices.

[Perov] This probably led you to further define the areas of mutual interest.

[Karakash] Yes. One of the members of our delegation was Vasilin Veselinov, a manager of the Rare Metals Company, who fully briefed the Russian representatives on what his company could do. It was established that our available concentrate is almost sufficient to meet Bulgaria's needs. The next day, the Russians offered considerably higher prices for our uranium than they had previously.

[Perov] Was their offer accepted?

[Karakash] Unfortunately, we first have to establish a new transportation arrangement for the deliveries because of the changes in the state borders of the former USSR. The prices we offered are free to the Russian border, and our hosts promised to set up new routes for the uranium within the next few days. This will have a bearing on the Rare Metals Company's assessment of whether the offer is advantageous.

[Perov] What is the basis of comparison?

[Karakash] The Western offers that the National Electricity Company is already examining will form the basis. In principle, it is not easy to change over to a new system because the consent of the chief designer of the nuclear power plant is also required. In addition, none of the Western producers supplies nuclear fuel to Russia at present, so that we remain tied to Russia.

[Perov] Under these circumstances, is your general assessment of the meetings positive?

[Karakash] The most important thing is that the Russians agreed to buy Bulgarian concentrate. Things will be clearer in two or three weeks. The contract to import fuel from Russia is a certainty. It remains to be seen whether we will also sign an agreement to export our raw material. If the Rare Metals Company accepts the price offered. The company wanted higher prices but is unlikely to obtain them anywhere else, given that the market is now saturated.

Havel Criticized for Handling of Slovak Issues

92/10054/14 Bratislava SLOVENSKÝ PLATOK in Slovácky 24 Apr 92 p 1

[Local commentary by Katerina Perkova: "No More Fog"]

(Text) The president of the CSFR has the constitutional right to speak before the Federal Assembly at any time. During the past two years it became obvious that Václav Havel exercised that right only when he considered it important to use the auditorium of the highest legislative body to address all citizens. His latest parliamentary speech on 14 April, with which he opened the closing session of both chambers during this term, is proof of that as well.

Havel's hour-long musings about the last two years and the developments that will immediately follow them continued the theme of his statements in the most recent Conversations from Morava and Kosice. It almost begs to be said that the speech this time lacked the previously usual moral and philosophical dimension and had a strictly pragmatic note. A note which Václav Havel chose as the only possible one for an above-party president in the pre-election period. While obviously that was not the issue.

The words of the current head of state were supposed to ring in the ears of all citizens, but in some definitely more emphatically than others. In the ears that alarm the heads of the leaders of what will be the future strongest parties. But even that would not be enough. Czech can have been sensitive to Havel's words for a long time now. Moreover, the chairman of the two most influential parties, Václav Klaus of ODS [Civic Democratic Party] and Ján Horák of CSSD [Czechoslovak Social Democrats] have already given their clear "yes" to Havel's future candidacy. Ján Horák pragmatically, because he does not see any other suitable person for that function when he realistically evaluates the actual distribution of political forces. Václav Klaus with a classic touch of bitterness in his voice, when he complained to all the other parties that ODS never considered anybody else, so that it never even thought it necessary to speak about it publicly. Gradually, OIS [Civic Movement], ODA [Civic Democratic Alliance], and KDU-CSL [Christian Democratic Union-Czechoslovak People's Party] joined them, when they wanted to prevent those who had a real chance of entering the post-election chess game in the Czech Republic. There is no doubt that at the very least Klaus' party was not that united in considering its decision to support Václav Havel, but in the end its partly pragmatic chairman obviously had the last word and convinced his party that the substantive matters will be decided below the Castle anyway, in the ministries of interior and finance, so that the less important ones can be comfortably left to the Castle, no matter who occupies it. And in that case, Václav Havel is certainly the most acceptable. Even in spite of his reservations about the screening law or his weakness for foreign policy as interpreted by Klaus and Jan Dienstbier.

But in concerning his April speech Václav Havel realized clearly that what matters most this time are the Slovak ears. While then a Czech or Moravian viewer came away from the television set a little disappointed, because he actually got

just one basic piece of information, namely that Havel agreed to be a candidate (about which nobody had any doubt in the first place), the Slovak viewer certainly realized that the president's words were directed mainly at him.

If we take the slogan "No more fog" as the basis of Havel's pre-election speech, we must unfortunately submit that this slogan was to go into effect only after the president's last word was heard. Because otherwise it is beyond me how the listeners were to understand his statement—indeed a reasonable conclusion—that the Slovaks no longer want to and will not live in the Czech shadow, which he immediately followed by the statement that actions about the dissolution of the state from above and its subsequent new loose union are confused and highly irresponsible toward the citizens. And the president continued to fog the issues. About the necessary continuation of the transformation, about the need to come to terms with the tainted past, about honoring national sentiments.

I cannot help it, but to my mind is a precisely this way of befogging the issue which by and large justifies the Slovak politicians in taking exception to the president's speech.

I am convinced that not even the representatives of the current Slovak opposition parties have anything against a functional common state, that they have no objections to a speedy conclusion of the economic reform, and that neither do they want the proponents of Slovak sovereignty to turn into a gang of aggressive soccer fans. The problem is, they had enough of being told by somebody in Prague, no matter whether by the Castle, the ministry of finance, interior, or the federal government, where the dividing line is between an authentic federation and unitary federalism, between an unbearable shock therapy and a reasonable social-market economy, between a sincere longing for national identity and nationalist fanaticism.

The Slovak opposition parties simply want to ask the citizens in the elections where this line lies, not some wise man in Prague. I am afraid that so far Václav Havel has not appreciated this fact enough. That is why until now he only got approval for his candidacy from KDH [Christian Democrats Movement] and ODS [Civic Democratic Union], in other words, those Slovak parties which are hopelessly losing voters' favor precisely because they do not ask them about Slovakia's needs, but ask their Prague protectors instead. For two years now the propagandist has been surmised among the Czechs by all and are means that it is precisely that condemnable Meccano propagand. (Without even Václav Havel succumbed to this propaganda when he failed to understand that it is above all a generally opposite picture of the majority opinion and needs of the Slovak nation).

Cernaparsky on 1945 Liberation Anniversary

LD/PRIN/PA/92 Bratislava Ruzhinske Slovensko Slovensko Network in Slovácky 2680 GMT 4 May 92

[Interview with Slovak Prime Minister Ján Cernaparsky; in correspondence Letter place and date not given—live or recorded]

[Excerpts] [Littner] Mr. Prime Minister, our interview takes place on the day when we recall the 45th anniversary of our republic's liberation from fascism. Nevertheless, the feelings brought about by this date are conflicting—on one hand it is the liberation by the Soviet Union, and on the other hand it resulted in over four decades of devastation caused by the ideology of the former Soviet imperialism. What is your view on this?

[Kučera] First, I would like to point out that history brings not only advantages but also disadvantages, history being usually a combination of advantages and disadvantages. The anniversary of the liberation and end of the war is such an anniversary. Nevertheless, on the occasion of this anniversary I also keep recalling what chances were then wasted in Slovakia (passage omitted).

[Littner] How should we then assess Victory Day taking into account the historic experience was mentioned?

[Kučera] Victory Day means the defeat of fascism and as such it deserves to be celebrated. Everything that has followed is the subject of personal responsibility as well as personal tragedies and the subject of historical study.

[Littner] The liberation by the Red Army although 50 years ago was in fact the end of the existence of a certain phase of the Slovak statehood (passage omitted).

Many people associate the Slovak state with fear for them it has become the symbol of violence, injustice and despotism. Nevertheless, there are also citizens who perceive this period as a positive one. What is your view on this, Mr. Prime Minister?

[Kučera] Last week you asked me in fact a similar question concerning the period of socialism. Then I said that I held in esteem those people who then simply created positive values which have been preserved; those people deserve to be respected. Thus the people who created positive values in the period of the Slovak state also deserve to be respected. Nevertheless, I do not feel entitled to carry out a detailed analysis of either the period of socialism or the period of the Slovak state. I perceive them as historic phases—one closer to us and the other further away in our past, in our history. I prefer to leave this task to reflections of those people who lived then and to historians—studying as well as possible as policies and arguments perhaps also its politicians. I concentrate on working for the benefit of the present, and let us hope also the future. Slovakia's work for the benefit of the present and future Slovakia is linked to the Slovak state of 1938-45 neither from the legal point of view nor from historic point of view; nevertheless, we can learn a lesson from it (passage omitted).

[Littner] As early as 1990 you spoke at one of your meetings about six Slovak dispositions. They included relations with the Hungarian heavy industry, power engineering, isolation from abroad, and our own disunity. Mr. Prime Minister after two years time has there been any change in your perception of the aforementioned dispositions, or are there any new ones?

[Kučera] The six ones I listed are quite serious and quite deep to suffice without adding new ones. I think that

we have made steps, or at least small steps towards overcoming many of them. Hungary, Poland and Czechoslovakia are forming a constellation of three states and four people. Cooperation between these three states is progressing quite successfully. The only exception is perhaps our dispute over Gabčíkovo, but we are trying to resolve this dispute. But it is indeed only a Gabčíkovo dispute.

As far as our Hungarian fellow citizens are concerned then we are naturally holding a dialogue—at the government, in parliament, or in other levels alike—about the present position of our Hungarian fellow citizens or what their position should be like. Quite substantial sums have been allocated in the state budget to support ethnic education and ethnic culture. By the way, I proposed talks between Slovak Republic and Hungarian Republic representatives about the Slovak minority's position in Hungary and the Hungarian minority here in Slovakia. I presented this proposal also at a citizens' public meeting in Dunajská Streda back in March. The Hungarian side has so far not responded to this proposal, but the Slovak government is prepared to hold these talks and to improve minorities' position beyond the framework of international agreements which are observed in our country.

As for heavy industry, our enterprises are including in their production program new products very often in liaison with foreign companies such as Lantbagelid engines in Martin. The Slovak government recently undertaken a loan to introduce a new production program in Dubnica nad Váhom. It will manufacture highly efficient oil rigs. But one could mention other enterprises, too.

A concession until the year 2005 was approved in power engineering. The construction of the Mochovce nuclear power plant is continuing. In this respect we are cooperating with foreign firms. The construction of the Gabčíkovo hydro-power plant also continues. Measures to carry out regular annual inspection of the safety of the Jasenov-Belhájce nuclear power plant have been drafted. Moreover at the last government session, when we dealt with the Jasenov-Belhájce nuclear power plant, the government committed, as an alternative, a program for the building of a steam and gas cycle which could make it possible for us in the future to cut down on nuclear power or possibly even eliminate it altogether. But in the meantime this is music of the future.

Foreign protection of Slovakia has been strengthened over the past two years. There is interest abroad in direct contacts with Slovakia. Just by the way, what others appreciate about Slovakia is that our internal problems, may they be within Slovakia itself or within the Federation, are addressed constitutionally through negotiations and in a peaceful and democratic manner. It is only your question whether we have made headway in eliminating our own disunity which makes me feel uneasy, for there is nothing specific I could tell you—but that we made a headway even on this flagrante non sic.

[Littner] Mr. Prime Minister, let us stop now with the topical events this week. How do you view the parliament's attitude to the report on the fulfillment of the program

members of the government." The resolution was approved by more than half of the deputies present at that time but it is regular that there were only 46 deputies present so does not show any great willingness to adopt a viewpoint to the activities of the government.

[Zeman] It does not show any excessive presence of deputies in the parliament. It is one of the problems of Slovak constitutionalists of our party—Slovak constitutional that the political and work efficiency of the Slovak National Council has dropped. Fewer deputies attend sessions, often one has to summon deputies to safeguard the decision-making ability of the Slovak National Council.

[Luttmann] Today's meeting, in fact, closes the cycle of conversations which for over a year we have been broad casting under the title "Ten Minutes With the Prime Minister." The rest of the Fridays fall under the election campaign by law and the minutes of these conversations can be assessed as advantages of one political grouping because you are also chairman of the Christian Democratic Movement. So now I am taking advantage to ask you about the difference of the period before the election in 1989 and now.

[Zeman] We are wiser than we were two years ago. We are wiser because we are aware of things, now in greater detail, it is more matter of fact now and in greater depth. We have become acquainted with the difficulties with which we are meeting, perhaps, we are also better acquainted with ourselves. We also know ourselves better as a result of the fact of how parties and movements fell apart which, at that time two years ago, stood at the elections and were elected to parliaments, but, at the same time, we are also wiser because we know better how to overcome problems with which we are meeting and from this point of view I am optimistic for the future. [garage omitted]

ODS Deputy Chairman Looks at Election Prospects

V.V. RUDOLF / Prague RESPECT in Czech 11 Apr 92 p 1

[Interview with Josef Zeman, deputy chairman of the Civic Democratic Party, by Vladimir Milner; place and date not given; "A Conflict With Us Means a Threat to the State"]

[Text] [Milner] At the last congress of the ODS [Civic Democratic Party] in Plzeň, it was said that your party requires 14 million korunas [Kcs] per year. Where do you get so much from and how will you finance the election campaign?

[Zeman] There are many rumors in circulation as to how much money the ODS has and who is financing it. The truth is that our sources of financing are similar to those of the other parties. When Civic Forum broke up, we received several millions of korunas which the movement had obtained for election purposes. The ODS does not have many oligarchs and this money is sufficient for us for the time being. We are also receiving contributions from individuals and naturally also from party members. Moreover someone will, for example, lend us a fax machine or a Xerox machine, will broker services for us, etc. The ODS does receive some assistance from abroad, but it is, for the most

part, substantive or organizational assistance but not financial and "We do not have any economic facilities and we oppose the financing of political parties by the state."

I do not know exactly what our election campaign will cost, but it will not be more than Kcs 15-20 million. We shall be augmenting the money within the framework of the possibilities outlined in the law. We shall also make use of bank credits on the basis of the anticipated election results.

[Milner] According to the election law, a voter can make use of preferential votes. The candidates of your party have allegedly pledged that, in the event the candidate list were to contain the name of some important member of the party leadership, they will give up their mandate as delegates in his favor.

[Zeman] No, nothing like that is true. The selection of candidates for the parliamentary election was not handled as democratically as was the case with us and without any kind of inclusion from the other by any other political party. Everyone including Václav Klaus had to be elected by a local gathering, then by the regional congress, and finally by the long evaluation round involving the choices of a single king, where the sequence on the list of candidates is determined. The Executive Council only has the right to intervene regarding the sequence on the list of candidates.

Allies and Adversaries

[Milner] How does your program differ from that of the other Civic Rights parties, specifically from the program of the Club of Nonaligned Activists (KAN) and from the Civic Democratic Alliance (ODA)?

[Zeman] Today there are forces facing each other who wish to restore one or another form of socialism, and forces which are asserting the democratic transformation of society. The agreement among the rightist forces to form a coalition or at least to conduct a joint campaign is thus very important and can be of historic significance.

The KAN is a party which places emphasis on cutting off links with the past and this also dominates its program. The ODS does not neglect this aspect, but places the main emphasis on a positive change in society and the economy. Václav Klaus frequently compares this to an automobile with a rearview mirror. The view to the rear is important so that the automobile can be safely controlled, but the view ahead is most important. The rearview mirror cannot obscure the view ahead. The difference between the ODS and the KAN is in the proportion of the size of the windshield and of the rearview mirror.

Another example is the ODA. I believe that it has essentially the same program as the ODS. That is why we also have the same circle of voters. Paradigmatically, in the biggest problem is negotiating regarding a coalition. It would be best if we were able to come to agreement. We are trying, but there is the well-known problem of the personalities on both sides. In the long run, I think that it is impossible to have two parties in existence with the identical program. Even if no agreement were to be reached by the time the elections are held, we shall propose to the ODA that we proceed jointly in the election campaign.

[Milnar] Which parties and movements in our political scene do you consider to be possible pre-election and post-election partners? With whom is collaboration out of the question?

[Zefetner] We have formed a coalition with the KDP [Christian Democratic Party] and we shall cooperate with the ODA and the KAN. I believe that we need not in all aspects conduct a campaign against the ČSL [Czechoslovak People's Party]. In Slovakia, we have close ties with the Democratic Party and with the Hungarian Civic Party. Cooperation is also possible with the VPN [Party Against Violence Party] and possibly also with that portion of the KDH [Christian Democratic Movement] which is represented by Mr. Cernogursky. The specific election programs of the individual parties will be what will matter. Coalition or any kind of cooperation is out of the question with the left, of which we also consider the Civic Movement (KHM) to be a part.

Quite another matter is postelection cooperation. In principle, this is possible with anyone other than the communists. What will matter here more is specific individuals. There are also parties which may not acquire any seats in parliament and which have high-quality personalities. Without regard to the election results, we shall collaborate with such people as V. Drabek, J. Jarcik, J. Kalvoda, or perhaps presidential adviser Sasa Vondra.

Rather an Independent Bohemia Than a Socialist Federation

[Milnar] Is your postelection collaboration with the HZDS [Movement for a Democratic Slovakia] realistic?

[Zefetner] In terms of election program, there is a wide gap between the HZDS and the ODS. Of course, they are connected on the basis of a certain type of responsibility because they are the two strongest parties. The very fact that it is possible for the HZDS to win in Slovakia and for the ODS to possibly win in Bohemia still does not mean that we should throw a bomb at the republic. We shall negotiate with everyone who will mean something in the political sense. This is why the ODS also put in an appearance in Slovakia. We have thus far not negotiated with the HZDS, but if there are going to be any kind of negotiations after the elections, they will be led by the ODS program for our part, a program from which we shall not deviate. We are a party of principles which does not maneuver solely for the purpose of acquiring power.

[Milnar] During the election campaign, it is possible that polarization into a left and a right bloc could occur. Would such a method set you or are you more in favor of a converging model of any future collaboration between the right and left bloc, much like was the case in Germany regarding the CDU (Christian Democratic Union) and the SPD (Social Democratic Party) coalition?

[Zefetner] I must repeat again that this depends on the specific party programs which are thus far not known. We are a party which is functioning within the government and so it is perhaps clear that we are capable of a sensible compromise. In view of our strength, a confrontational conflict represents a threat to the future of the state. That is

why after the elections, we shall go to the limit in the negotiations regarding the formation of a government which is still acceptable to our citizens and our voters.

However, at the federal level, there is the danger that the left, thanks to a substantial victory in Slovakia, will be capable of forming a federal government by itself. If we were confronted by the choice of permitting the return of socialism or partitioning the state, the ODS is determined to insist on the immediate proclamation of a referendum in the Czech Republic, regarding the continued existence of the federation. Personally, however, I do not consider such a development to be terribly likely.

Foreign Policy, Restitution, and Debutshevization

[Milnar] What changes would you make for example in foreign policy in the event your party were to be victorious in the elections?

[Zefetner] We consider the present foreign policy doctrine to be inappropriate and unsuitable and therefore we would undertake certain changes in that respect. We would unequivocally orient ourselves toward exclusive integration with the Western world—economically, politically and militarily. We would not place so much emphasis on postcommunist groupings, the so-called central European troika, or the Bezugstheorie. We would cease placing Czechoslovakia in the position of being a bridge between the East and the West.

This does not mean that we will be opposed to good relationships with our neighbors. But the notion that prior to "entering Europe" we would have to integrate with Poland and Hungary is wrong, in our opinion. It brings about a status under which we would be integrating our weaknesses and would be expected to enter Europe only after all of us have eliminated them. This concept has delayed our being accepted as a member of West European civilization with full rights and, we believe, it is an erroneous concept. A similarly irresponsible step was the Czechoslovak proposal for the simultaneous eradication of the Warsaw Pact and of NATO. In the eyes of the West, we have become unreliable as future allies. The fact that the acquisition of security guarantees or membership in NATO is, at present, so far removed, is to a considerable extent, the result of our ambiguous policy with regard to the West.

[Milnar] How do you regard restitution and the so-called debutshevization?

[Zefetner] We definitely do not wish to go back with restitution to a time prior to 1948. As far as the so-called debutshevization is concerned, you will not find this word in any of the program documents of the ODS. Our party has already proposed the across-the-board publication of the names of emigrees and agents of the former StB [State Security] and we would also hope to this, provided we shall acquire a decisive majority in the future parliament.

[Milnar] You would not undertake any additional steps other than across-the-board publication of names?

[Zefetner] The party has no official view regarding this question. However, as well as I know the ODS, I believe that

we would not go further. This has to do with that about which I already spoke. We want to look ahead.

[Milner] We must clearly anticipate that revenues to the state budget will decline next year and, at the same time there will be growing pressure for state expenditures. It is possible that there can even be a budget deficit. How would the ODS solve such a situation?

[Zelenec] The ODS prefers low taxes and, at the same time minimum state expenditures. We shall attempt to limit expenditures for state administration to the maximum extent possible and to eliminate subsidies. Of course we shall also do all we can to see to it that revenue for the state budget does not decline; in other words, to see to it that enterprises are capable of paying taxes.

In this respect privatization will play a big role. It will create the resources which should help maintain a balanced state budget until the end of the year. Beginning in 1993 we will have a new tax system, which is currently used in Western countries. The value-added tax [VAT] will clarify the entire process of collecting taxes and will make it possible to collect far more revenue than the existing system of sales taxes. After a certain time the revenues to the state should therefore rise even given today's level of production.

[Milner] The delegates of the ODS are among the key critics of the work performed by the Legislative Council of the federal government. However your party contains only very few lawyers. In the event of an election victory you would clearly have a certain shortage of capable legislators. How do you intend to deal with this?

[Zelenec] Yes, there truly are not any lawyers in the ODS who have the experience of already having written three socialist constitutions. However I reject the claim that we lack capable lawyers. The ODS not only has such people as Mr. Toman, Mr. Houska, or Minister Novak, we have other lawyers for example Miroslav Smutny, Karel Sedov, or Mrs. Marvanova. They can always compete with Mr. Ruchensky.

The Past Is Not a Qualification

[Milner] In conclusion, a personal question. In the circles of your political adversaries you have a reputation of being the man who fragmented Civic Forum because you dislike former dissidents. What do you think of people who were involved in Charter 77?

[Zelenec] Civic Forum would have broken up even without me if however I contributed to that breakup, then I did a good piece of work. Civic Forum had its historical mission, but prolonged its existence beyond the time necessary for the creation of democracy. It became the refuge of people who did not wish to have their positions subject to control from below.

It is not true that I dislike dissidents I had and have a number of friends among them and a number of them are also active within the ODS. There is, however, one problem. What is the significance for today and for tomorrow in the fact that someone was a dissident? I am convinced that

society's highest function of the selection for people to administer the state is handled in anything but a democratic manner. I reject the proposition that the legitimacy of holding a certain office be based only on the fact that someone was in open opposition to communism. A number of people who were successful dissidents and did much for this country lack the qualifications for the positive building of the state. To be in opposition to socialism requires strong moral integrity, bravery, but also a gravitation toward resistance and destruction, albeit of bad things. In addition to morality, the building of the state calls for more or less clerical inclinations, as well as the ability to deal with people both of which characteristics are bearing to me and entail other views.

Last, but not least, there is one more matter here. Dissent was based on the solidarity of the powerless. Without that it would have been destroyed by the communists very rapidly. Solidarity in state administration however leads on the direct path to favoritism and corruption and is therefore unacceptable to me. Life in the opposition led to the notion that it is possible to unite people even if they have contrary dictatorial views as long as they are democrats. However this only functions as long as there is a totalitarian adversary. If we transpose this to conditions of freedom, it can lead to the breaking of democracy.

Arms Production Conversion Problems Examined

27 MAY 1992 Prague ECONOMY (in Czech)
27 Apr 92 pp 1-2

(Article by Eng. Jan Vrabitik and Eng. Marie Kacevova. "The Conversion of Arms Production" —first paragraph in ECONOMY introduction)

[Text] The conversion of arms production is an extremely sensitive topic for the USSR from the economic, social as well as the political standpoints. Moreover, this is contributed to by the circumstance that the current status and the prospects of Czechoslovak arms production are normally presented in some communications media with a lack of adequate objectivity and frequently with ethnocentric biased viewpoints which do not take reality into account.

The boom in Czechoslovak arms production culminated in 1987 when the volume of production amounted to 26 billion korunas (Kcs). Some 70 percent of the production of Czechoslovak armaments plants was exported in the 1980's, including 60 percent exported to the countries of the former Warsaw Pact with the remainder then going primarily to Third World countries which were frequently insolvent and the materials were sold on credit which frequently remains unrecovable to this day. During those years Czechoslovakia was ranked in seventh place with respect to the world export of weapons. For comparison purposes during the period of the First Republic the Czechoslovakia of that day was in third place in terms of weapons exports.

Approximately 40 percent of the armaments production was concentrated in Slovakia and 60 percent in the First Republic. Weapons were produced in more than 100 enterprises and their production directly employed 11,000

employment and working in some industries another 200,000 to 300,000 persons were employed in arms production. The greatest concentration of arms production occurred in the region of Central Slovakia where employed 21.5 percent of the total number of armaments workers. Other concentration areas were in southern Moravia (17 percent) and in the region of Prague (17.4 percent). Within the regions, there was also local concentration of production for example in the area of Martin, Dunajská Streda and Prešovská Bystrica, Detva and Šamorín, Bratislavský Nové Mesto, Trenčianske Teplice, Košice, Piešťany, Nitra, Trnava, Prievidza, Banská Bystrica and Prague.

The Decline in Demand for Weapons

As a result of the lessening of international tensions and the development of the military-political situation during the second half of the 1980's, there ensued a general decline in the demand for weapons. This manifested itself by a just slightly greater decline of output rates in the sectors of weapons from 1986 to 1989; production and beginning in 1990 resulted in an express decline in armaments production which resulted in the necessity to reduce the number of personnel. In May 1990 the government of the then Czechoslovak Socialist Republic was dealing with the situation in armaments production and adopted a resolution on the effective utilization of freed-up capacities of special enterprises and in September 1990 it adopted a resolution on slowing down and halting the production of tanks.

In the past November period developments in the world armaments trade and the possibilities of inserting Czechoslovak products in these markets together with some other circumstances even resulted in various calling for the further reduction in the Czechoslovak production of armaments and led to the conclusion that Czechoslovak armaments production should not exceed Kčs 4 billion in 1991 (or 1992 prices).

This means reducing production from a maximum level of Kčs 5 billion by 8 percent while simultaneously replacing the shortfall through civilian user-around production. This recent and past of conversion which seen on the world scale was unique is being implemented in the JNSR in parallel with a number of unfavorable factors. There is a general decline in the opportunities to sell even civilian products under conditions of economic recession, a number of enterprises are insolvent, are continuously debt-laden, are struggling with a shortage of social resources, corporate management is not always adequately prepared to make rapid and effective structural changes. They even have a certain specific "preparation for conduct" on the part of some enterprises etc.

Measures To Support Conversion

In the situation, the government of the JNSR together with the management of armaments production and adopted a whole series of additional measures aimed at solving its problems. Support for conversion was increased both in 1990 and 1991 by subsidizing the enterprise sector from the largest armaments enterprises with given Kčs 1 billion through their supervisory ministries (1990) and Kčs 1 billion (1991). These subsidies to the entire industry were

concentrated in a certain measure, distribution of armaments enterprises. The decision also from State in 1990 authorizing 400 million crowns to help and possibly to finance the conversion of personnel to other work.

Consequently, in the second quarter of 1990, the further reduction in the output could be made available for special purposes such as the purchase of civilian vehicles and civilian capital assets and for new and conversion projects. A working group from the Federal Ministry of Economy submitted a total of 12 percent more power is submitted to the state (in 1991), the individual subsidy amounts amounting to up to Kčs 10 billion for which subsidies of Kčs 1.4 billion were paid and the projects for civilian utilization of excess of Kčs 1 billion (new projects in the Heavy Machinery Plant at Martin—construction machines and diesel engines, a project in the Heavy Machinery Plant at Dubnica nad Váhom—machines and a project regarding in the PPS (Příbram Heavy Machinery Town) at Domažlice (drilling holes), about received total subsidies of Kčs 4.1 billion).

Principles for fuel imports are reported to be around Kčs 1 billion and principles from the Army of convertible base assets. Any remaining in the Kčs 4 billion that is not used is to be Kčs 4 billion. Re-imposing these various principles is a proposal that appears reasonable. In this case will be ensured that in 1991 about 4.8 percent of the planned decline in the number of employees in discontinued (such as armaments production) units is anticipated to occur in a total of 55,000 jobs including 36,000 in the Slovak Republic and 21,000 in the Czech Republic. The discontinuing armaments production is being also reflected in the support organizations which could influence the employment of another 30,000 to 32,000 workers.

For the successful execution of the process of conversion as a society, structural changes in a therefore essential to take into the significant factor the enterprises, the regions and the state. In this a significant role again is to be played by the appropriate and right conversion actions.

Fundamental Problems To Be Solved

The main problems of the process of conversion are showing up particularly in the following areas: including in training research findings.

- The fundamental problem in the internal defense requirement is the medium term or specific armaments programs and in some and substantial demands made upon the Czechoslovak armaments industry. Together with the reorganization of a national financial policy, this could result in the gradual dismantling some of defense production which would lead to a certain decrease and to a loss of funds in the future to support the defense capabilities of the state. It is important in the interest of this kind of production to be the government to ensure the availability of weapons which are no longer being produced through imports. The position of all armaments requirements should be consistently addressed.

- The regional situation - Proximity to the front and the presence of large areas which are subjected to the bombardment of defensive positions and the intensification and the continuation of the anti-aircraft phase as well as the nature of the combat situation in Germany and its dependence on weather effects frequently affects the economy and society.
 - Economic effects, including the impact of inflation resulting from the frequent military activities of the region, and the number of organizations which will be engaged in this type of life in other parts of the country, although it is not an leading or substantial. It is therefore essential that adoption of a new economic norms production and trade involving the production can be operated on a low level which preserves existing business interests, prices and the frequent changes in of the regulation of the LNSR abroad. The region of Western Europe is a major producer of aircraft and armaments and small arms, where the production has long years of tradition and a general recognized quality and technical level should continue to be maintained in particular aircraft industry, which is shown the export for civilian and military aircraft, radar systems, regular maintenance, identification requirements, and rear service requirements, as well as broadly whatever artificially created are defined a certain customer. Such exports would assist in the formation of resources for the conversion of armaments production into the origins of new types of armaments required and produced by armaments industry. Furthermore, in respect to weapons systems such as aircraft, tanks, tanks, armored vehicles, armored personnel carriers and technical qualities of armaments in weapons will according to a decision of the government of the LNSR on 14 March of this year be subject to division by the Ministry for Defense of the State.
 - Requirements involved in the creation of demands by the center particularly with regard to the role a Ministry of transportation and communications, ecology, and health services, which could to a considerable extent compensate for the shortfalls of armaments production.
 - The inadequate solution of regional and social problems involved in conversion, particularly the creation of new jobs and the retaining of workers dismissed from armaments production. The creation of new types of armaments and social problems in the area having higher concentrations of armaments production. The integrated solution of these problems in the region, including all concerned sectors for the introduction of new civilian production, should become a permanent task of coordination on the level of local government, administrative offices and representative bodies. For the present, this is more the example of regions such as Pomerania, Pomerania-Baltic and other mentioned should be used in purposefully avoid even further negative consequences resulting from unemployment. The creation of a specific institution PAPRA, could become an important aid in the solution

of linguistic problems, and some of these may be technological, administrative, and medium-specific factors, as far back and far the preceding of linguistic diversity among populations, as in MATTER, will be supporting the following section.

The need for constant awareness of safety issues, along with appropriate treatment of all mental health care patients, will allow providers of substance abuse care to meet the goal that is integral to maintaining a healthy population.

Laser-Style Preparation and Intramembrane Production

large areas of savanna. The specific problem for animal production is how can the rural areas support its economic system of agriculture given the constraints imposed by the demands of the cities, which demand relatively high output under such constraints as much as in the case of the industrial economy shown in Fig. 1. In addition, it depends on the percentage of the population which have and have been moving back to the rural areas.

In the mid-1980s, official recognition of the importance of the arts was evident in major government policy. The focus of the day-to-day operational running was being overtly arts-based production management which would define the outcomes of the nature of the relationships in those organisations as a production or craft through programme planning. Major grants and other financial programmes for a specific purpose, such as the arts in the education industry, are an area in all the countries for retaining public resources involving longer planning cycles. One of the distinctive elements in the government programmes for arts funding are transfers to a number of constituency bodies, such as, for example in all cases where the national funds have to be after the emergence of regional arts organisations, or the central government's general arts priority, the majority of the money is channeled via local arts committees and so. The culture of arts funding projects changed, and leading on the central theme of the period, by the competitive dimension in art funding support in particular in 1989. Some funding organisations still try maintaining contact with individual artists and their families, while prioritising differentiation projects. As Bertil Alweik appeared to be satisfied, although not a number of years, it is more a case of accepting one-sided communication regarding, if not the arts, art funding, perhaps.

Based on the analysis, a strategy must be adopted which will be underpinning the process of sustainable development, which is necessary to maintain and improving it with a pace which is not too fast. This is crucial now that a post-industrial society is emerging, characterized by sustainability and environmental protection as well as the protection of natural resources.

With a Pragmatic Approach to Pretest

It must be noted that a more systematic approach to the gathering of information on the activities of the armed groups in the provinces and in regions outside the N.E. seems to be necessary, which would be the result of the work of Regional or local bodies of the People's European

pragmatism with regard to curtailment of armaments production and its export. The deputy prime minister and the federal minister of economy, V. Dlouhý, stated categorically at the conference in Martin on 10 February of this year that weapons represent a specific type of goods which are traded by anyone, including those who manufacture them.

The process of curtailing armaments production is an important part of the structural changes within the Czechoslovak economy. Within the course of this conversion, a number of economic, defense, technical, social, and political problems arise. Their resolution and their overcoming can also be contributed to by a broadly based specialized discussion.

Footnotes

1. For example Sweden is counting on reducing armaments production by approximately 1 percent over 20 years. Germany, according to information provided by the Endowment for Science and Policy, by approximately 10 percent by 1995, according to study materials provided by the Danish University at Lyngby, the United States is planning to reduce armaments production by 10 percent, etc.

2. Of these, it is possible to cite products of small-scale agricultural mechanization, small single-track vehicles and ecological facilities at the Považ Engineering Plant at Považská Bystrica; hunting and sports weapons manufactured at the CZ Plant at Uherský Brod; anti-thefting systems for cargo trucks and personal automobiles at the Mestaga Plant at Prešov; a new generation of stamp motors at the Pal Magazin Plant at Kremnica; health care equipment manufactured at Mikronetechia at Michalovce; and at the Tatra Plant at Banská Bystrica, regulator drives produced at the Electric Power Research Institute at Dubnica; axles and transmissions produced at the Heavy Machine Tool Enterprise at Nitra; a new automobile parking system produced in the Vihorlat Plant at Nové Zámky; ecological engineering projects involving at the Engineering College at Košice; at the Škoda Works in Nove Mesto; at the Slovak Engineering Plant at Uherský Brod; at the Kovitabla Plant at Trnava; etc.

Criticism of Aspects of Wage Regulation

v2C 190175C Prague EKONOM 16/2/92
27 Apr 92 p. 26

[Article by Milan Plachta, "Regulation Yes, but What Kind?" A Macroeconomic Look at Wage Regulation—first paragraph is EKONOM's introduction]

[Text] There are not many government measures which would encounter such disagreement as the decree on the regulatory law for regulating wage and other personnel expenditures in 1992. Not only do the trade unions take a negative position—and such a position is, overall, understandable as far as they are concerned—but also the Association for Industry as well as private business people are taking such a position. It is clearly not happenstance. Nevertheless, the government is insisting on its position.

Various forms of wage and price regulation in a market economy represent the most extreme means applied primarily when there are fears that the self-regulating function of the market will be inadequate. From this viewpoint, the government decree can appear to be a paradox. The main regulations of government policy decisions do not indicate that they lack confidence in the market forces. Moreover, wage regulation is related to price regulation, a considerably more unusual and thus more prone to the question [an appear to be a gamble involving little predictability].

On the other hand, it must not fail at the outset of the transformation process, the economy is half-independent capitalist and there is therefore no longer that the central leadership is looking for instruments which would make it possible to minimize the threatening dangers.

Perhaps all economists will agree that, at the present time, it is not possible to eliminate all regulation. In the present, it would seem that in connection with the exceptionally high budget deficit of last year it will be necessary to limit certain types of regulation in a certain direction. Therefore, the question arises as to which area should be specifically eliminated again.

Opportunities for Macroeconomic Regulation

In the area of prices, the majority of the population would undoubtedly welcome a certain lightening of regulation. It would be possible to justify such a measure by citing the well-known high monopolization of fuel production and trade and by citing the weak foreign competition. But price regulation undermines the basic function of prices and thus makes it impossible to assert a rational criterion for the distribution of resources; therefore this is not the way.

The regulation of interest rates, particularly in the field in which it hinders efficient activities, can be relatively effective. At the present time, however, it is not particularly selective. The increase in its effectiveness is undoubtedly connected with an increase in the quality of the activities of commercial banks which, for the present, are lagging behind the standards of the market economy.

Budgetary regulation, for the time being, is contributing perhaps the most to maintaining a balance. In and of itself, however, it can do far more, everything, particularly if, in addition, it acts predominantly in a regulatory manner, something which can have negative consequences.

There remains wage regulation, which from a direct influence upon the product costs and even indirect influence upon demand for consumer goods, it can thus strengthen both in cost inflation and also demand inflation and, in this, prevent the development of the inflationary spiral.

Alternatives of Economic Policy

In conclusion with the danger of inflation, which is supposed to be perceived in the intention of government leaders in the form of wage control, we must keep in mind what we are striving for and what we actually want. If we want everything, we find that, in the final analysis, we will achieve nothing; if we believe that inflation around a growth in efficiency is dangerous for us, then we must consider inflation

is to the main danger—deflation—which participants will regard in the following deflationary price relationships between the possibility for making smaller economic adjustments. Without relative economic calculation, any economic development resulting from the allocation of resources is dangerous. Only an efficient economy can result in the long-term growth of the state fund of living.

Moreover, if we aim to raise social security and the growth of the consumption level in first place (particularly in the short term), inflation will not appear to be as threatening and the main danger will be considered to be a rise in unemployment and a decline in real wages.

If the first parameter will be the clear priority of economic policy, then measures will be adopted to safeguard the monetary balance, even at the price of the temporary diminution of the level of economic activity. In the second case, it is more likely that a policy of expansion will predominate and that the resulting level of inflation will be considered as the appropriate price to be paid for a lower measure of unemployment.

However, the success of the expansionist policy depends on how the supply situation will respond to the inflationary impulse which is played somewhat role. Existing experience indicates that our enterprise system, despite its difficulties in the transition, does not conduct itself like a normal market system. It frequently emerges in such situations which had proven themselves under a centrally planned economy, or possibly such approaches which favour short-term survival at the expense of the future. Thus, the main danger of inflation arises—an inflation spiral without a corresponding growth in supply does not speak of any growth in efficiency.

Details of the Adopted Form of Regulation

Under such circumstances, it is no wonder that the regulatory effort is oriented toward that power which is most relevant for the producer—wage and other “internal” dependents. However, this is no way indicate that the hypothesis either the form or method of regulating these costs.

Wage regulation is more effective when it involves the overall volume of wages in conjunction with the volume of gross output and such regulation is implemented in an effectively functioning market. Supplementing such regulation by administrative methods is not at all that well possible. In its consequences, it leads either to price increases or to inflation.

As is known, the adopted system of wage regulation was aimed at average wages. However, such a solution can definitely not be considered to be favorable. The growth of average wages over and above the regulated limit is subject to taxation without regard as to how the enterprise is working and also without regard to the starting level of the wages involved. The possibility for reducing wage differentiations and the opportunity to adequately reward highly qualified workers is considerably reduced. An enterprise which would produce only goods which are in demand and would consequently adapt the number of employees to the

volume of its production, would be significantly disadvantaged. On the other hand, an enterprise implementing surplus workers (as has already been the wage policy which is a characteristic of the agricultural enterprises) is better able to continue to perform and will respond with a wage increase.

It cannot be emphasized that the government is not aware of the aforementioned facts. It is possible however to suppose regarding the research which did not adopt this method of wage control despite these facts. Presumably, it could have been the function of the fact that a similar method was already applied last year and that it is impossible to argue that it failed overnight. Furthermore, there could have been an influence of the effort to preserve the entire level of employment. However, this would be rather than distinguished. Formal integration is to adapt the economy as well as in the longer or a more extensive manner than open integration itself. It is not just a matter of a decline in productivity, but also of the ability to work with a half-speed without the German wage culture of effort.

Details in the current mode of wage regulation need at least to disregard, for example, the method which would set the volume of wage rises at the measure of measured production or output reduced by the index of price. The method would definitely be more effective and would also allow for an acceleration of market relations, but would not stimulate a growth in efficiency.

It is true that the proposed regulation would perhaps be administratively easier (assuming that the existing method, but then again it would not be so much more demanding in its mode of implementation). Again, it also follows the principle of joint (or no long-term effect). The precise percentage of market correction of the incomes is no longer a significant issue with others. However, it is necessary to adopt a system which would minimize the deform of regulation. The system proposed by the government is definitely not it.

Recovery May Come Sooner, Bank Director Says

of János Lajos, Prague (MOMA-TELEGRAM)
to CTK, 17 May 1992

Remarks with Jan Prokop, director of the Monetary Policy Department of the Czechoslovak National Bank, to the Pressman: "price and don't grow." Growth is the Fundamental Thing

(Text) The achievement of macroeconomic stability in the economy is an indispensable source of the competitiveness and economic modernization. We should let Prokop director of the Czechoslovak National Bank's Monetary Policy Department about the developments in monetary relations in the first quarter of this year.

(Prokop) The inflation rate is a significant one of the positive factors after the revaluation of the crown last year we see an upward movement. The inflation rate was 1.5 percent in January, 1.3 percent in February and 1.4 percent in March. The development of the balance of payments is also positive. According to preliminary data, the current account of the balance of payments closed with a surplus of \$100 million in the first quarter. This is a better than expected result. In a situation of a rapid devaluation, the

main function of governments also shows a surplus of about 600 billion korunas from transportation and tourism now. The capital account has shown positive results. The foreign currency reserves of the Czechoslovak State Bank are sufficient. They were worth 7 billion dollars at the end of April, up to 1.7 billion dollars at the end of 1991. The trend is thus very positive and a uniform and modest real goal that we set out for this year—is to maintain the current exchange rate at a stable level.

(President) You are afraid that the positive monetary development will expand the deficit budgetary measures of the year?

(President) It is the consequence of the introduction of a new wage regulation system. The economy of the wage negotiations has a developing tendency so far. However the system is not without problems. In general, during the month, the budgetary situation shows a deficit, and only by the end of the month is there a surplus—4.7 billion korunas at the end of March, and 2.1 billion korunas at the end of April.

(President) What about the growth of wages?

(President) In the Czechoslovak State Bank, we see the wage development as a real factor. Nominal monetary income has increased 7.8 percent in the first two months of this new regulation (the same period last year), and real income increased 6 percent. I am speaking about the results that do not reflect the fact that the agreement on wage regulation for this year has not been concluded as yet. At that time [when agreement was discussed] we supposed that there will be wage regulation. It is not so certain today, and pressure is about the regulation is great. This is what we are worried about, since an appropriate wage development is an important condition for maintaining current stability.

(President) The unions of miners are discussing wage regulation as a centralized and totalitarian measure.

(President) According to the experience of international institutions—the IMF, for instance—the application of wage regulation is suitable in certain situations. In our country, wage regulation is suitable due to fundamental changes introduced in ownership. In the case of private ownership, the orientation of a company toward long-term results is clear. In our opinion, it would be desirable to maintain wage regulation until the end of 1992 at least.

(President) The Czechoslovak State Bank has lowered the discount rate recently and abolished certain restrictions for commercial banks. What was the banks' reaction?

(President) Of course, the banks did react. Each bank approaches its system of interest rates. They differ according to the structure of each bank. Generally, we can say that one-year term deposits bear about 4 percent interest. As far as the interest rate on lending is concerned, practically all the large banks lowered their basic interest rates to between 12 and 13 percent for short-term loans. Medium and long-term interest rates are higher after demand for medium and long-term loans is higher and reserves are limited. The interest on medium term declined, too. By the end of February the interest was 12 to 13 percent. At the last

meeting, it decreased to 10 percent. Given all the influencing credit performance with market interest rates are between 4 to 14 percent.

(President) How does CBR measure the result?

(President) Two weeks ago, the Czechoslovak State Bank governor participated in an IMF meeting. The IMF positively appreciated the fact that we succeeded in reducing inflation and reached good results in the field of payments. We have a stable exchange rate and the volume of foreign currency are growing. The IMF also positively appreciated the results of the transformation of enterprises that in addition was final privatization—a strategy to create more new—higher quality and more diversified opportunities for the renewal of production and the introduction

(President) What kind of monetary developments do you anticipate until the end of this year?

(President) The inflation development basically corresponds to our assumptions. Exports are still better than originally anticipated. The value of foreign investments remains. For this year, we planned the volume of 1000 million of foreign investments. In reality as at the first quarter, the value of direct investments reached more than 1700 million and is likely to exceed 1 billion dollars for the year. As the same being, we are attracted by foreign capital and the privatizations is still growing. It is important that each company is assessing what is profitable for a local privatization. Savings by organizations are growing. According to a Federal National Office statistics—which we closely collaborated—with that in the second quarter business demand, as well as demand abroad, will rise. We are expecting a certain renewal of structures. It follows from the said data that the economy of the country which we expected by the end of this year, then take place cannot

Worldebank on Slovak Social, Economic Situation

SDR 433.40 President LADKOVIC, MUDr. J. Černý,
27 Apr 92 p. 1

Interview with Helena Šimčáková, Slovak minister of labor and social affairs. In further with plan and does not grant "The Minister of Labor and Social Affairs of the Slovak Republic, Helena Šimčáková, for LADKOVIC, MUDr. J. Černý on Slovakia".

(TBC) (World) Some time ago, Mr. Vlček mentioned that the greatest problem in Slovakia was hunger and poverty. Is it true now with the IMF? A World Bank has said that there is an need to people in developing countries who live in greater poverty. What is your opinion?

(Minister) It is true that the standard of living in our country has dropped. However no one is satisfied in talking about hunger. Also frequently the situation is presented as being worse in Slovakia than in Belarus or Moldova. However, this is complete not supported by the analysis of average wages in the CEE and Bulgaria and SR (Slovak Republic); the differences are minimal. In fact, overall wages for the unemployed was higher in Slovakia because in

possible to ensure compensation and strengthen their basic life commitments. These facts as well as the admissions of leaders show that there is no justification for talking about a disaster in Slovakia.

[Ques] Is the future social situation in Slovakia connected with the future institutional organization of our state?

[Machovsky] Of course. According to the government's data on the consequences of a separation of the state, which were submitted to the SNR [State National Council], it is clear that the organization of the Slovak state budget will necessarily decrease significantly and in the future for how long? At the same time, however, it is similar as to how it will change its structure. This could cause social risks and dangers.

[Ques] Is the government you represent social partners but simultaneously you are the leader of the right-wing IDE [Independent Citizens' Union], then do right-wing parties and left-wing social partners exist?

[Machovsky] All parties, including right-wing ones, that have social policies, in my governmental function, I frequently hear the opinion that state resources at the form of social benefits are being spent on people who do not deserve them. In this case as a representative of the right wing, I have to agree with the others. All right-wing parties consider that there should remain a equal opportunities for everyone. So far, at this moment, we have not used this principle either we are to push up from that appeared in the old system. The two cases discussed you may as a kind of extrapolative measure but, on the other hand, I feel convinced of the fact that, in regard to the economy and the first legislative steps, we have already made significant progress toward creating a free market.

[Ques] What do you believe the future of the Czech and Slovak Federal Republic and its citizens will be like?

[Machovsky] In an election program, the IDE government the citizens that it should not take long to attain a normally functioning society, as long as there is support for a common state and just economic reform. This is also a prerequisite for creating the conditions of living. The year 1991 could be the watershed after which transformation and stabilization will be replaced by a stage of new development.

Review of Data on Private Entrepreneurs

at [Ques] Prague 28 APRIL 1990, 10:00 AM
in C-300, 17 May 90 p.

[Unattributed report based on Czech Statistical Office data in the 1989 PAP/CSA/SAF 70/1990 "1 Year" column: "Private Entrepreneurs"]

[Text] As at the end of the first quarter this year, there were 1,000,232 private entrepreneurs registered in the Czech Republic and running business according to the Small Business Law. This number was up eight the year, 1.1 percent, but compared to December 1989, this number grew 2.4 times. According to the territorial breakdown, the largest number of private entrepreneurs is reported in

Prague (14.7%), followed by Brno (10.7%), then Bratislava (6.6%). Prague accounts—including privatizations and return—is running a business.

Private entrepreneurship according to territorial breakdown: Prague 20.4 percent; Central Bohemia 1.9 percent; South Bohemia 1.2 percent; West Bohemia 1.1 percent; North Bohemia 1.1 percent; East Bohemia 1.1 percent; South Moravia 1.1 percent; and North Moravia 1.1 percent.

NZES Economist Discusses His New Book

at [Ques] Prague 28 APRIL 1990, 10:00 AM
in C-300, 17 May 90 p.

Interview with Marian Tesař, Slovak Economist, about his book of essays, *In Poor Man's Place and Dear Old Glory*. "We Shall See Greater Wealth Without War Than Peace"—the paragraph in SZCZEDZONY NAD DOLINAMI.

[Text] Marian Tesař has often been engaged in controversial controversies in the field of the position of Deputy Minister of Finance of the Slovak Republic. His controversial pronouncements caused a great stir among historians. Some in the other representatives of the independent Association of Slovak Economists (NZES), he was taken problems for Slovakia in the handling of its own resources. He was also involved with the issue of the sharing of the fiscal funds by regions, i.e., Novohradské Mts. which was published in the Bratislava publishing house. He explains the reasons for Slovak growth from his own vision of the present but also suggests some possibilities of developing wealth and the conditions under what it would be implemented.

[Text] You deal with the idea that Slovakia does not and is not one among equals. Marian Tesař said the "Slovakia has been and is trying all the pretexts of its own actions. I offer Slovakia new chances. The first is to free us from fear of a lack of photon and material. We should understand that they have been to use any of resources. But then, of course, they have to be accounted."

[Ques] The raising of national consciousness after December, the target of hard attacks by pragmatists of the central bank. How did they react to your book?

[Text] So far nothing, except almost a well-known Sachsenkron denied the idea that a nation which does not have a state does not have status either. In the contrast, Tesař showed himself in the book.

[Ques] Where and when will there be elections in Slovakia?

[Text] Marian comes, goes and borrows from the average number of years not well. In the radio document with Radovan Kollar said that unorganized, a term, a single word. It might be that only as long as we do not have either will come after unorganized. The result is that our state will also closed below. In February, a group of economists published a set of alternatives for future development. Slovakia is as it used to pursue an open market, primarily of a right market pattern. By this I mean a pattern of open markets for investments but not for consumption. If we want to make easier integration in order to the Western flowing part our country would be a manifestation of a

(CZECHOSLOVAKIA)

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11 May 1991

was because of an open-minded Party, the introduction of dual currency opportunities brought several other things toward high-speed and at the same time increased and that gave changes on a different level.

From that where shall we get the money?

(Chair) We can bring it in from abroad, or we can take care of it better. In better, we can print either the money or money backed by our worth. Then there is the participation of foreign capital into our market. From our government's point of view, it is quite problematic whether soon will we pass our budget by a foreign or a domestic treasurer. Our government does not care who gives him a job. The important thing is that members give to the state budget so that means there is no need to be afraid of foreign capital. It is a different matter when it comes to firms which produce imported machinery. Then do you privately own, or do you have a line site of purchasing, and they draw revenue from us? That is the aspect of corruption that exists in the upper part of both products from us.

(Chair) Some Czechoslovak Prague experts assert that foreign banks don't want to do business the situation here is unclear.

(Chair) I can agree with that, that the smaller countries in Slovakia will not trust the quality of the state budget is entitled just and for all. The answer on that the government responds, the answer is no. The more serious aspect are foreign debts that are created in because they have been holding themselves from the world in this day and when they die off the world not in. They have an obligation of international public institutions and services. That is because without that one is always speaking not about the answer on ourselves on the world scale of as the answer the world comes directly from us what we have done we have and what we are like. We better for us I am convinced that the Central Banknotes and budgets with foreign institutions or its own, that it will be increased in maintaining in the International Monetary Fund as well as in the agreement of the World Bank. I can imagine that the conditions which the Central banknotes will negotiate will be better for us than the present ones. We shall not return to a system of 100% and a portion of the state budget, which is the end will end up with a huge deficit answer to 10%, we wanted to have a portion of 70 million (justifications omitted) here in Slovakia. But not a deficit of 10% balance.

(Chair) What happened in that answer?

(Chair) I would say three needs to be recognized. The internal executive power you told have entrepreneurial activities, moreover were two created, one was on Sugar factory and found themselves at the time of collapse. They are bankrupt. The greatest problem is that there is nothing left behind that 400 million dollars. If a loan 100 billions of repressions had been paid, there would still have been a policy that it would have been paid to what the right measure should have. The water would have been lost of a great result enterprises network road railway, or airport. We must pursue a policy that would change us to manage our economy even with a deficit.

From there on then we'll go to the last subject.

(Chair) Then should the Central bank become an external bank, or other example of a central bank will be the end of March? Then, continuing about the Central bank through these banks. The existing executive power and changing institution for having a budget without a chairman, the Central bank financing part of their own economic policy through the central bank.

(Chair) Is not in all of this a question of influence Soviet minister from the results?

(Chair) I would like not the.

From I got more from you.

(Chair) I understand it can be more a matter of interpretation, based on an absence of a maximum executive power. But before was a typical Soviet who will always be like that a case. He will rather work the easier when the maximum. During that time the neighbor who has a house built with Leon Milic the man with the tools and a shovel, getting out more than his brother under the maximum. There is a few and all of a maximum to his brother.

(Chair) There are kept that Prague used now as a normal presentation through the executive powerbank. As a later event that it could switch Slovakia completely?

(Chair) I distinguish with two situations in Prague with regard their funds of their own presentation through the executive powerbank. They should continue their own own place there. They could either keep them in regional form and districts out of them. Prague should be more in their advantage. But it is also important that such problems be eliminated. There is also one reason that the following morning the entire B&L (Bratislava and Plzen) & Prague transports certain not responsibility for Slovakia part from them.

(Chair) I would like to add something of Slovakia personal information.

(Chair) Prague's number of population the 1.300.000 that live in Slovakia. The Slovaks are the overwhelming. The rest of the Central bank, or other in case Slovakia members, majority wise of the Central proportion will be in Slovak National. Therefore that concluded we were largely concerned with our own agreement in Slovakia with Central bank. Otherwise independence will damage the state bank of foreign connection on our territory for now. Slovakia will make agreements with the Central Banknotes so that the Central Banknotes would be open in as and vice versa. But that would again equally in other countries as well. We shall not practice through a separate the foreign Slovakia more than people will from a world without borders. In this case Slovakia what I will do or to next Slovakia. For that of course, it will have to find mechanisms in its own hands and in some way from budget revenue, income rates, and investment policy.

(Chair) From your understanding is increased the price Prague government Sugar is equal as with the question that the world will not recognize us. So it has got not yet that the world is gradually recognizing all new emerging

international status that deserved the right to choose about their future existence without their present governments.

Today in Prague the members of the Congress of Nationalities agreed on a unified approach toward rights which exist in Central Europe. The conditions are different. Different governments provided certain guarantees for the rights of regions there exist, concerning the rights of minorities. This will judge our status in independence in the light of differences in these conditions. Nationalists can have no doubt that we are going to bring in far as policy of autonomy is concerned, no more or less power than we are the best in the world. There is nothing so important as from among these conditions according to article 42 the federal government will be based on Slovakia after the dissolution of the Slovak Republic is adopted. The federal government can't let Slovakia in a stronger case if the Slovak National Council's resolution is it will not force even one of the 48 articles of the independence law to leave.

Today in case that something is different than with us a political declaration. Our federal institutions could not afford to engage in such obvious legalistic differences as they are attempting in Transcarpathia. A political declaration does not mean much.

That if the parliament approves a political declaration, it can also approve a political declaration in the case of Transcarpathia. That would seem more weighty.

Again do you think that the government respects sovereignty within the federation?

Yes. The condition is not unanimous. Rather it is a fact of the case that it allows that conditions in Slovakia and the federal institutions will allow Slovakia something to say in the end. The say of the federal and the regional government is the same. The regional government has some representation. But they have practically no authority. We should then give them representation and authority. It is to be reflected in their statute.

Today in our case the Service controls almost everything in the world. It was most important to be a hard currency. What you to do in case of a hard currency?

Today first, the Service controls would have to take a hard-line position and depend on the concentration of profits. We shall have good credit when we concentrate good profits after public service, when we produce what we can sell. A centralized system of an enterprise does make substantial growth and therefore we will naturally have to bring privatization in enterprises. We must make use of what today the going on and we cannot say no in this case. It is necessary. Why should there be political differences caused by that? Today when we can offer something without them? The system of the former East Germany and the disintegrating Soviet Union will be existing to come and merge with West Europe but in private form. They will be national, highly export-based states. And however, we will have to bring the Reserve of the national power from institution in Bratislava under an agreement for integration. Now if it is enough, then go on. But no problem will come to concentrated enter-

prises like this. We want our place as independent countries. But this will be a chapter. One Dr. Sloboda wrote home

Today if we understand the present situation of Prague and the federal government around Slovakia and its neighboring countries is clear to see that the stage toward pragmatism about Warsaw Pact united others and the possible role where the Slovak government and parliament free themselves from the socialist rule. This is the conclusion of the international situation. Especially there the author of the book "National Politics in Slovakia" can agree. Now the figure shows.

Environmental Pollution Policy Changes Discussed

A.D. 1985/1986 Program / Environment and society
11 Apr 87 p. 47

Source: The Central Statistical Bureau - Environment - Plan To Ensure Environmental Protection and Develop the Economy in the Sphere of Production and the Plan for Protecting the Environment - first paragraph of E.P. 1985/1986 resolution.

(1) The ecological function of enterprises has to prove their environmental care and the growing attention to the present system. That also the socialist system ecological consciousness. The ecological protection is a basic strength and source of firm and community. Previous these characteristics were more evident in nature firms and later were introduced the socialist. These features should be enhanced and strengthened and then it did not yet to become ecological. Following the adoption of new laws having to do with the environment, however, the situation has become sufficient fully changed.

In all branches of the state and the environment of the year 1986 in the Czech Republic is the implementation of the main principles of the environment together with their effects, as many which came into being by continuing the main functional importance of environmental protection, the Czech Water Management Department and the Environment Department. The organization is headed by long Michael Bicanovs. With the exception of large enterprises to compete effectively in changes in the course of time and their impact by reducing the environment which firms can do to ensure clean air in connection with the protection of water, soil and plants which are under protection.

One of the main objectives changes is the significant increase in efficiency in the Czech Republic for the environment. CEPD which has been active older environmental protection department protection human protection and water management. Previously, it used only organic form, whereas the organization of firms and within the conditions of the economic mechanism, making a use the new opportunities to reach this. In case now, it can not only their own a merit, because the other way production efficiency in production leading edge. The last is the environmental load firms. In the areas in which the environment in the CEPD are allocated to prevent in the long and in process to the restoration of other natural forms to prevent damage to the environment. In case of the same effort action

o fine, the greater the power to the communities obtained. Because the characteristics of each of the sections are, for the time being, different, we shall treat each one separately here.

Water Protection

The use of fees and fines is governed by Federal Law No. 116/1971 No. on waterways, by Czech National Council Law No. 136/1974 No. on state administration of water management and by its amendments No. 23/1981 No. and by Government Decree No. 15/1979 No. on fees and other subsequent modifications of that regulation. The fees are set by agreement of the watershed or the basin of an agreement with the enterprises with the guidelines for setting fees being the five indicators of water quality—the biological contamination of waters, the amount of chemical, physical, and chemical discharge into, and the effluent dilution or quality of the water. Each enterprise is required to make a certain deposit and the fees are then subjected to final accounting as a result of the actual water quality found in the watershed. For the most part, the fee is set one higher than the cost of purifying the water so that the enterprises would be encouraged to establish wastewater participation plants. The administration of the watershed or fees, which is under preparation, again proposes to increase fees and to submit them regularly each year. The quantity of firms whose indicators is also reported to the in the course of the year. The collection of fees is supposed to pass to the ČSDP. In the year of the Czech Republic, water 1.1 billion koruna (Kč) in fees was collected.

As of this year, fees in water management are set in accordance with the new economic terms for collecting information which are set for each enterprise in the form of an administrative decision by the water office or by the ČSDP. When these terms are exceeded, a fine is payable. The fine is imposed both for unpermitted discharging off of wastewater—release of water contaminated with water by either their water treatment participation programs and for creating public water supply systems or water systems according to the provisions of Law No. 23/1981 No. On pollution fees is increased to Kč 100,000 for violating a small-discharge water supply law and fees to a maximum of Kč 1 million for unpermitted discharge of the discharges of the enterprises. Even in the fees which are collected each year are substantially lower than the costs reported on the basis of fees. There is a change in the measure where, in being proposed to that they would better reflect the realized costs at the enterprises involved. They are more likely to be incurred, as well as various other measures for those who decide to establish water participation systems. However, the administration of the fees is still a long task and is to be approached after the end of the year.

Air Pollution Prevention

The ČSDP is governed by Federal Law No. 116/1971 No. on air management and by Czech National Council

Law No. 136/1974 No. on the state administration of atmospheric protection and air fees for atmospheric air protection. It concerns to the water management situation, fees here are set by administrative decisions issued by the ČSDP which also collects fees and fees for compensating the atmosphere. The ČSDP decides on the use of the fees with regard to large enterprises. The same offices decide on fees regarding medium-size waters. Other measures apply to those who decide to follow regulations. If, for example, enterprises start building dams or larger reservoirs, 6 percent of the fees payable are deferred during construction time to a later period, and then, the supplementary fee can be waived. If the assumed annual fees, enterprises are required to pay only 30 percent of the fees over 1979-80. Then will be expected to pay 60 percent and in 1986, 80 percent, and as of 1997 a total of 100 percent. From this is supposed to stimulate enterprises to invest facilities designed to prevent pollution.

Fines are supposed to be governed by the administrative or executive terms which, however, fees are not fees established for waters of large, medium, and small enterprises. If enterprises exceed the expected terms, the fees are to be increased to 50 percent.

Soil Protection

This is governed by Czech National Council Law No. 236/1974 No. on the ČSDP and to contribute to preventing the losses. Decree No. 60/1977 No. on fees management and state administration of water management and Federal Decree No. 61/1977 No. on fees. For the present, fees are not yet defined. Fees are intended to administer with Czech National Council Law No. 236/1974 No. Provisions are issued to the consequences of soil fees and to contributions. Provisions between the Czech Ministry of Environment and to the Ministry of Agriculture.

Waste Management

Waste management is governed by Federal Law No. 236/1974 No. on waste and by Czech National Council Law No. 136/1974 No. on state administration of water management and the Czech National Council Law of 11 January 1981 on fees for disposing waste materials. Fees will be assessed by administrative decisions. However, these fees are not yet issued. The measure will not occur after the end of 1982. In the meantime, the administration of setting unpermitted fees will be referred to their finance offices. Fees will be assessed by the ČSDP and the same offices starting at Kč 100,000 are intended for example, there will be a centralized program for waste management and scaling up to Kč 1 million. For example, the unpermitted transportation of dangerous waste materials. From time, other measures are being considered for those who will violate regulations ecologically. In other words, it will probably pay off.

Lobbying, Conflict-of-Interest Rules Considered

6.3.1992-01 Budapest PFTT 1-Bank-4/2/15.0.
to Hungarian 17 Apr 17.7.

Article by Péter Hóka, representative of the Institute of Free Enterprise, "Protective Lobbying".

Trial Hungarian insisted as has several years of its several arguments over the Hungarian parliament with this law. This is what János Schöfle wrote in 1991 concerning the Hungarian law regulating circumstances of incomparability as now applied to National Assembly representatives:

Representation of the law of the conflict proved their strong advantage. By having a formal code of ethics no organization can prevent the independence and political goals of organizations. From a practical standpoint these regulations limit the possibility of organizations profiting from their political positions. Such rules are well being reflected in the T-3 House of Representatives.

Promised Hungarian rules in law the allowed half a certain level of conflicts of interests conflict of interest in addition to official incomparability. Among other things, the law specified that National Assembly representatives must not be contractors or partners in the government's procurement or transactions between the government and other members of organizations of firms having business relationships with the government, or members of members of boards or executive committees of enterprises influenced by the government.

Beyond strict economic conflict-of-interest rules the law made explicit mention of the so-called incomparability resulting from representation, which prohibited organizations from intervening at the government for the benefit of business interests where regarded by it as the interest of a representative's constituents.

The organizations who drafted the rules saw a few months. It was also seen for three years with the intention used in so add law with their below performance active in local governmental bodies than their predecessors. From a practical standpoint, today's regulations provide less official incomparability rules for organizations. On the other hand increase other economic conflict of interest or incomparability from the viewpoint of intervening, not even in the form of some "soft rules" law firms contained in the former law rules which provide that representatives from certain—and consequently public—other firms may intervene.

These organizations allow a certain of representation conflicts in case intervention during their free time, or provided in twenty months of state recognized branch of business, their personal regulation to the press with authority and norms, claiming that the law prohibits them from pursuing business activities.

It is particularly difficult to justify the gradual character of the rules at a time when legislative proposals submitted to the government make it clear that the role of state intervening in the Hungarian economy ought to continue to play an unchanged. However, the government will continue to extend the activities of a great number of

enterprises of the future, so making some other. Committee of board member in a paragraph ruling party member of a National Assembly committee supposed to review the government's financial activities. The said in practice dependence on situation creates a two hand to mitigate. Therefore it does not take any particular major or to mitigate was other government-supported independent programs submitted to organizations, which define the legal framework of an enterprise on the board of which the program happens to sit.

Whatever such narrowing of economic and political power has assumed the results conditions have been so significant that they have created serious political interest over and already established conditions of a market economy. For this reason it would be indispensable from the standpoint of both "parties" and the "economy" to avoid dividing each other the initial steps of democratic transformation are being taken.

The existing rules, the political importance of the economic and cultural political domain as cultural economic elements are contrary to the principle of free competition, and can be easily seen in the framework of a conflict-of-interest conflict of interest law. The direct consequence can be seen and such a law is imposed, and the costs for organizations conflicts of interest should be given up. As a first step incomparability should be limited with respect to offices held in themselves, where the capital is involved, as to let make today's enterprises to prove their "real superiority" at least as compared to the members of the previous system. If this is integrated with other performers,

Agreement on 1992 Interest Rates Not Expected

6.3.1992-01 Budapest PFTT 1-Bank-4/2/15.0. to Hungarian 17 Apr 17.7.

Discussions with Sandor László, a Hungarian National Bank vice-president, Dr. László Bogdán, prior and last night. No agreement to be reached this year—this paragraph is PFTT 1-Bank 4/2/15.0 confirmation.

(Sandor) For a long time it was felt that at the beginning of this year an interest agreement, similar to that of last October would be made between the Minister of Finance, the central bank, and the commercial banks. But the commercial parties agreed to discussions after all, and their "soft" agreement was confined to a single case, namely that they will come up to the market to set the interest rates. Hungarian law, as yet a year to Sandor László, and in the case of a new agreement, he asked him to indicate the content, not to give it the contents being to comments on.

(Károly) The October agreement between the Minister of Finance, the Hungarian National Bank (MNB), and the Bank Alapítvány Council had two fundamental elements. One of them was that the structure's liquidity position had to be withdrawn in order to keep inflation under control. Since the interest rates was very high in Hungary, it had to be significantly decreased for the market rates driven up the credit money open more tightly. Then we called a meeting now. We discussed the market rates by percent instead of

JPN-128-0266
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I and the Central Bank of Hungary believe there is no such thing. This also served the purpose of stabilizing the local budget deficit.

The other day and the important element was the government decided to increase bank interest rates, although it was recommended the banks did not raise interest and better had the rate between 10 and 12 percent. We advised them against the central bank negotiations—giving attention to that as well as the second half of last year. Most of last year's higher prices resulted from the price increases between November 1990 and February 1991. During this time producer prices increased by approximately 14 percent and consumer prices by 15 percent. In the latter half of the year the government and in Hungary increased the monthly average price increases over the government year book. At this time it is a bigger "surge." The price increases are high even though the rate of inflation has been down all around. So the higher base price is at work and they "burn" inflation out with itself and return the base rate. We waited what the team of experts set up of it accordance with our own projections and about the present rate of inflation, the Central Bank was monitoring this average. Perhaps the authorities are proceeding slightly and repeat themselves probably that high inflation lowers the confidence index of the economy. However it seems they have implemented so that the banks are in power regardless. As I said, then do not mind the average measures of the central bank of experts. If one out of them begins increasing the interest rates, it will, in the short term, low part of its resources. And most of the other banks follow suit, then it can go on. That lowering the interest rates will only continue when it is done together and at the same time.

Bogdán László, when these negotiations were done together we could think that finally a joint attempt of lowering interest rates was in the making.

In case of Ireland, that is I have mentioned, the Central Bank believe that inflation would really slow down.

Bogdán: I do not think that is only a matter of belief, because the Central Bank—published reports.

It appears that the continuing inflation was already reflected in monetary terms. Since a stable exchange rate of the country reflected in Hungary's interest. Even the most recent balance of payments statements also say ground that this was impressive. And then there is not large budget deficit, in which the greater emphasis is that it also influences inflation. This was the reason as long as the government's role changes did not cover the corporate demand for credits. But now we are facing an entirely different situation. Private savings have multiplied in an inflationary regime, while the net corporate demand for credit has dramatically declined. The reason for this is that, at the same time, there is not space for development and that, on the other, budget deficit is growing, as is there. Thus, the reduced budget deficit had hardly any downward effect on inflation. Neither the private nor the corporate clients believed that inflation would decrease and therefore there is no necessity to lower the interest rates were not so pressing.

Bogdán: I could not agree more than you made of about the monetization of the same time and in a different direction a model. That could have been done in a way which however respects each great tradition. Not in Hungary, I am not saying, but nevertheless there arrived a good pricing mechanism on markets open, but hardly anything longer cycle of that. There will be no agreement whatsoever this year that a decrease in the interest rates is very problematic monetization. There are many more people today who believe that inflation will slow down this year to a significant degree. In addition, Squares are considerably less, consumer price increases amounted to 9 percent during the first four months this year as opposed to 11 percent during the same period last year. Producer prices increased by less than 11 percent during the last 12 months. In addition, our banking system is a great problem index is that it has abundant resources that is easier to lend out the money. The use of financial institutions also plays a role in this for the Hungarian institutions there are sometimes much more carefully to whom and for what purpose they lend money. It has become a fundamental interest of the commercial banks to the risk-free state bonds, thereby improving their lending structure. The reduction of interest rates is contradictory with the attainment of the rate of inflation. Despite one of this year's key issues for the economy started a position of 10-11%. Because of the aforementioned high positive real interest rates, investors seem to place the money in the banking system. Consequently, the people understand an interest placement. But our central banking can still credit financing can only be a supplementary source. Then, the reason for the need to lower interest rates is to have a general loan financing toward consumers—and for that reason, to be able to provide credit. I hope that the commercial banks will do more to encourage their customers and will modify their business policies accordingly.

MNB Official Interest Comittee Fests

6/1 1992/1/1 Budapest: ITM/200, 8/1 1992 - Budapest,
7 Apr 92 pp. 1-4

[Article by Zoltán Károlyi, an expert in English language, a Hungarian National Bank vice president, "Interest Comittee's Annual Fest"—first paragraph in English translation]

[Text] A liberalized foreign exchange management is needed for making our national currency competitive. The introduction of a free rate elements of the international foreign exchange market may be considered a milestone in the process of liberalizing foreign exchange which will take several years. For beginning in April the Hungarian will move out and the forward foreign exchange transactions between commercial banks that have a foreign exchange license for other their immediate foreign exchange transaction. In the aftermath of the conference held in this subject with the participation of the State Bank Superintendents, the commercial banks and representatives of the central bank, Foreign Exchange, a Hungarian National Bank (MNB) vice president, summed up the changes.

For your better reading an abridged translation: I stress up that there is nothing new from the aspect of introducing or

During a majority of foreign exchange, for instance, business participants and those who intend to import or will obtain an obtain foreign exchange otherwise than with us. Thus the Bank's external currency customers often already profit from business that the foreign market is 40 to 70 percent lower than in 1979—about 1,100 Japanese yen for their investments abroad. We will provide them with fixed exchange rates—their former—or other written and permanent authorization of a fluctuating rate. This will happen often with some exceptions, in the case of individual commodity exporters or those who intend to participate in professional remittance often may have foreign exchange up to a specified percentage of their profit and/or import turnover during the previous year.

In summary, we also introduced an unhampered liberalization in the area of private travel, and from a day around the world can now be issued for tourists at Hungarian travel agencies. During this freedom, both as groups and individuals travel, there are some limitations in obtaining cash advances that purchase foreign currency up to the value of 150 dollars. At present one can own foreign currency up to the value of 5,000 dollars without guarantee bank, and thus citizens may be leave out of the country for short trip without a permit. It is prohibited to keep foreign currency in excess of the amount as before that, until September 1980, one can do so in a foreign exchange account. This way complete control over one's foreign exchange account is ensured.

Thus, in looking at the possibilities from the aspect of distribution, I think the most important thing is that citizens, whether they want to import or travel, may now obtain basically without any limitations foreign exchange through the banks.

During the four years of foreign exchange liberalization, central bank has round foreign exchange markets for making payments related to their foreign trade transactions by the local foreign exchange credit activity. Since December 1979, even financial institutions has been able to decide on its own to obtain foreign credit, and then have to report it to the central bank. Businesses must obtain the MNB's permit to do this.

These key years that have passed since the beginning of foreign exchange liberalization these decades in the structure of foreign exchange, basically, the central bank is responsible not only for protecting the forint's foreign value but also for seeing to it that enough foreign currency is available for the economy as well as for everybody. This is why we operated the system of foreign exchange distribution, which was centrally controlled and was supervised by the MNB, and through which every commercial bank was able to obtain foreign exchange either by buying it from their import or by borrowing it from local banks and import and get a compensation from the central bank. However, they had to sell this foreign exchange in their red customers, i.e., the banks' own foreign exchange assets had to be used for immediate sale. In the interest of having enough foreign exchange at the

central bank's disposal, and of preventing the import—*On Wharf*—the central bank will have surplus funds in its

The goal of foreign exchange market operation on the basis of the foreign market. Central Reserve, a position department part of the Foreign Exchange Market Service in December 1979, has been given a three-month 7.5 percent—i.e., a half-decimal-point margin, and the banks were given their authority with their customers in the foreign exchange are. Although foreign customers were allowed each teller to sign international contracts among themselves, this kind of separate market remained operative as far as possible. In the spirit of market liberalization, a well-known foreign possible for the banks to buy and sell foreign exchange among themselfs—during the course of immediate transaction. However, no real foreign exchange market will arise as long as the banks do not take advantage of the possibilities of dealing and road operations.

For the third stage the maximum daily commitment turnover of \$400 million was about reached last year. A real foreign exchange market will arise only if the banks begin to buy and sell among themselves not only the \$4 billion designated to the purpose of savings and payment accounts, but also the company capital stocks amounting to almost one billion dollars. Working to be completed, one of the new elements of the market that could facilitate this is to allow companies to buy and sell. Another one would be to allow commercial institutions to sign among themselves contracts of buying and selling foreign exchange without the profit margin of half a percent of the former's daily rate of exchange, also following its fluctuation during the day.

To stabilize the rate of exchange, the central bank will determine open and without any limitation both on the side of buying and on that of selling. For we think that it should be in no one's interest to allow a large fluctuation for the entire day. As long as the money market lacks enough participants who can carry significant amounts both in terms of buying and thereby support the regulation of a wider margin, we can maintain the stability of the exchange rate through the constant intervention that has been announced and simplified.

Audit from the assurance of foreign exchange supply-making role can be reported at present. The path of the future will be of course that the central bank leaving the foreign exchange supply up to the money market, and giving complete confidence from this area, interfering with the government role in very indirect ways. On the other hand, for the time being, it has the responsibility of and is playing a leading role in the money market's direct supervision and regulation. In the interest of safe banking operations, the MNB will require that the banks cannot have any open positions in excess of 20 percent of their guarantee capital at the end of the day. Therefore abroad are also limited so that foreign exchange will stay at the country in a form for the central bank's reserves. Probably, several more must pass before our foreign exchange structure becomes completely open.

Budapest Bank President Balázs Interviews

6/3/1997 | Budapest BB 77-115 04-12/1997
to Management | by L. M. C.

Statement with László Balázs, Budapest Bank chairman and president, to the State Audit, past and due for year "Mátravasúti Kft" - due paragraph 6 BB 77-115 04-12/1997, attachment:

[Text] While our efforts are ongoing, Budapest Bank (BB) is creating a tax-exempt targeted reserve of 10 billion forints by using almost all of its profits earned in 1996. Additionally, Chairman László Balázs pledged and has in a government request to return to the State Treasury additional taxes due on the targeted reserve, and he was willing to lend over 2.4 billion forints to the budget and the state treasury last year at next Tuesday's general meeting, as discussed with Balázs the reasons for doing this is "balanced".

Statement: Dan, you think that without or later the government is going to be better and/or has the right of "participating the government" attitude at the board of a bank in which the state is the majority owner? If one can be self-sufficient, then bank has to be in the "tax-free" status. You are mentioning "allowable banks" to the course of designating the leadership of certain large state banks in the near future, you will serve as the point of reference. See last year we have appointed an internationally recognized banking professional as chairman and president of the BB, independent of the MSZP (Hungarian Socialist Party) past.

[Balázs] I am not dependent on the chairman and president position of a state bank. I would not return to death in the banking job market even if I were to leave this post as a result of being forced to act contrary to my professional and moral convictions. There are no signs like this thus far. However, Károly Szűcs, previously the minister without portfolio for supervising banks and at present the head of the State Banking Supervisor, never asked me to control my activities in any regard. I also agreed with Tamás Szabó, the minister without portfolio in charge of banking supervision, that the accumulation of targeted reserves, as pursued by us, in the sole opinion conduct also from the government's standpoint, the more so because large banks could not be sold in their present "form". It would be very hard to sell a financial institution whose confirmed assets and reserves amount to less than the amount of its questionable outplacements. On top, the latter will become "tainted" encroachments sooner or later when the bankruptcy law is enforced in practice, and the questionable encroachments may also increase.

[Balázs] At the same time, the finance minister claims that certain banks have accumulated an excessive tax-exempt targeted reserve from last year's profit, because reserves to cover questionable encroachments should have been established at the course of three years in their usual measurements. Your annual statement "for" would be only 1.1 billion forints. Miklós Károly also underlines the fact that half of the so-called internal questionable encroachments from before 1991 have been guaranteed by the government.

[Balázs] The difference is that according to the additional tax-free targeting reserves normative through the year on the national reserves, the banks cannot either have a targeted reserve than at the end of year, because general norms to implement the new long-term banking insurance system. Thus, when this is done, the banks will naturally be required to establish a general targeting. That is an alternative to the new insurance regulation. BB is preparing the tax-free insurance normative. This norm does not yet have legal force. The norm is agreed to stand as the basis with a resolution to take the standards of the bank within three days to the level of international banking. Financial stability and bank's ensuring the peace of better regard to the banking and the strong confidence. All these agreements to come into effect from year to 1998. My request that we establish a minimum capital base from through the European Monetary institutions, the sum of about 3 billion forints. I think that will be the fact that we received a guarantee for the establishment of the new insurance of perhaps 3000 forints in a good credit. Now then the bank has a consolidated another 3 billion forints worth of questionable encroachments. Not a single percent of this is due to the account. Law says we have to transfer to shareholders losses and surplus to shareholders and to consolidated credit or shareholders' credit. Moreover, BB is going to establish a permanent management bank at the year before because the bank is able to get rid of its listed major shareholders if a large shareholder is put back on their feet. For example, by changing this form when a state reorganized a consolidated under private ownership. I do not see that there is a certain state, you have pursued in the past policy in which it has granted subsidies and supported the banking sector. Then could change the financial institutions' authority and additionally would be of no help to banks. So now they need a bad history.

Statement: how is BB doing?

[Balázs, Interred] This is why I would say, it is not the beginning of banks; probably after this year, by concluding an international audit of the bank's financial statements, for example, the first one in BB's history—and by providing such a clear international audit, confidence and investors to sufficient for the future operation of the bank. We would also designate a permanent advisor from the year and we could convene a special general meeting. In that case there would be a chance for one or two professional members to dominate the BB's functioning again. In ten years at the latest, and this would not only pursuant to a capital injection for the bank, but could also mean significant corporate governance and strategic development, and what is not of less significance, a strong leadership, which enables professional administration much more than that which is done today.

[Balázs] Are you familiar with the present leadership of the BB?

[Balázs] This is not what I meant to say. We would need international advisor, while the present Board is enough in our programme. For example, the Board unanimously addressed the idea of appointing independent members such through the Central Statistical Authority, and the Disposition Committee of the State Property Agency, a Board of Directors and监事会 of the bank. Similarly, the consolidation of

small shareholders maintained appropriate understanding by accepting our proposal to pay an 8 percent dividend.

Balázs György: Mihály Károlyi's voltage over inflation. Inflation tax amounts was no coincidence. But why could not the Finance Ministry, the central bank, and the commercial banks reach an agreement concerning reduced interest rates and the purchase of state securities? This would coincide with your demands too.

Balázs György: This has faced problems because together with Mihály the Finance Minister is not maintaining increased or accomplishing this. They figured out that interest rates would fall more without such an agreement. They are probably correct in believing that later on they are going to be able to benefit from lower-interest paying state securities at the banks. Because short of good quality, nothing else can be offered to finance state securities at their terms. The central bank does not need a separate agreement on interest rates because it can go ahead straight away if it calculates that a relatively large volume of money will already leave circulation so the central bank is going to depress the money market interest rates already. On top of all this there is a certain guarantee difference even between the various banks similar as foreign or concerned. Manufacturers to believe in their future ability to place our funds at a high price. But these enterprises should not be given credit, even if they paid any amounts of money just to have credit, because these enterprises could go bankrupt the moment after they received credit. Accordingly we will reduce interest rates at the future. But I refrain from mentioning the extent of reduction and the time of reduction because large banks lack funding sources. The new law takes the first step in cutting interest rates on deposits—this is the condition for reducing interest rates at banks going to cut the risk of bankruptcy losing depositors. Incidentally commercial banks could enter into an external "backward" arrangement in interest rates at which they could break their necks just as they could compete "upward," and this could shake the basis of the banking system as a whole. This is why we really need an "agreement" the kind I have outlined last year too, and which I believe has not been returned from the agenda.

Balázs György: You have mentioned several times that, not unlike in the enterprise sector, big rearrangements will also take place in the Hungarian banking system. Banks could face financial difficulties. They could merge, they could be purchased. As a result of liberal banking rules, competition in Hungary is becoming increasingly keen in the last period, particularly at a time when the economy is stagnating and recessions are falling. The one obstacle of offering this with rational cost management could fail and now State does not even have a headquarters building. Now does BB face all these challenges?

Balázs György: It is true indeed, that we will be forced to build a new headquarters building, since unlike other banks BB did not receive a building free of charge from the state. We are paying a rental fee of 50 or 60 million forints annually for our present place of operations. A new headquarters building would cost more than 1 billion forints even if we did not build something like a Wonder Years. The BB

ministers a very strict cost management policy, so—add that includes the chairman and presidents who are not used to having luxury cars, our drivers in first class all over the world, we are extremely thrifty even when buying paper and such expensive things. And from the fact that this is in our own interests I also believe that having this kind of attitude is our moral obligation.

Continued Use of Personal ID Numbers Discussed

KPRC-TV (Budapest) 100.7 FM 17-18 July 1991
in Hungarian 11 July 1991

Balázs György: On 8 April 1991, the Constitutional Court set aside previous laws governing personal identification numbers effective the end of 1990, and told parliament to provide new rules. On 21 December 1991, the National Assembly adopted temporary rules for the census. Noting it that the Constitutional Court of personal identification numbers stated there was said about the legitimacy of these numbers. Despite the court's view that the state system and the state administration as a whole could not be regarded as a user from the standpoint of using personal identification numbers, the law authorized them and the state administration as a whole, starting each government agency separately, including social security and the census. Prior to the enactment of the law, the government had issued a statement of principle emphasizing the court's decision, stating that under the decision did not affect, for example, the law itself and the law on criminal procedure. "The use of personal identification numbers in the scope of these laws is not illegal." Although in the course of parliamentary debates among the opposition gathered that the census law adopted in December 1991, and thus the authority to use personal identification numbers, would expire on 31 June 1992, the now pending legislative proposal would extend the use of personal identification numbers referred to as personal identification "marks" until 31 December 1993. This would allow sufficient time to convert existing data bases including tax and social security records.

The pending legislative proposal "concerning the recording of the personal data and addresses of citizens" provides for the registration of personal address on the basis of a passport and a Drivers License. Authorities would seek further documentation even if a person's address was significant from the standpoint of determining his address—for example, when voting—because similar passport and Drivers license contain the location address. A new identification card, so called, would be introduced in 1992 and would serve to identify legal people and citizens, citizens' permanent residence. The proposal also provides for replacing the present State Census Bureau with a National Personal Data and Address Recording Office under the supervision of the Minister of the Interior to be managed locally by managing districts and regions to regional partners. Upon existing or joint overlapping data bases would be integrated into national census personal ID and address records.

A partial function of the new super data base will be a legal database through which Hungarian citizens residing abroad in order to enable the state to protect private property to exercise their rights in Hungary and to ensure

But these permits are equal to those existing in Hungary according to the legislative stricts accompanying the proposal. This then suggests that the government is going to "concern" Hungarian citizens residing abroad after the law takes force. The government repeatedly stated that this would enable citizens residing abroad to cast votes in parliamentary elections.

Toxic Waste Remains Problem Despite Publicity

Editorial, *Népszava*; M.P.M./A.D.S.H. in Hungarian; 17 Apr 92 p 1

Article by Enikő Kiss: "Collective Amnesia in Jászberény: Hazardous Waste Still in the Ground"

[Text] Ever since parliamentary representative Dr. Zoltán Kóni laid the facts before the public, the press brought news regularly on the environmental pollution of Jászberény's Lefel Refrigerator Factory [LRF]. Since 1990 NEPSZAK/BADSAC has also published several reports on the events. But the mountains of hazardous waste are still waiting to be removed.

Now, at the request of Electromas, the Swedish owner, a new plan has been worked out by Maritech, an American firm. If everything goes well, the plan will be carried out soon. But the people living in the polluted area are hardly satisfied. Indeed, they are really angry now. They are looking for those responsible for the environmental damage, are demanding compensation, and are requesting that their wells be examined and cleaned. And the bill goes to the State Property Agency (AVT).

Seven Dump Sites

The things leading up to the events include the fact that in 1988, in part because of political pressure, LRF dragged out the locations where it illegally deposited hazardous waste for approximately 20 years. This involves an area of about 10 to 12 square kilometers west of Jászberény, where seven such dumping areas have been identified. The Zagyva River full of life flows to the vicinity of an environmentally protected area. An estimated 1,000 barrels containing paint sludge, solvents, and other hazardous byproducts were dumped in the river's sandy bottom. Now they are beginning to uncover these. Following the presentation, the Swedes are planning to clean up the area in accordance with Western standards. They bought LRF with the stipulation that the AVT would bear the bill for repairing the environmental damages. Almost \$1 million Swiss francs have already been spent so far for research and planning. Fifty-five hundred tons of galvanic sludge has been transported to Austria.

Maritech worked out a plan for cleaning up the soil at the illegal dump sites of Nemesvár and Oregendó. The barrels of hazardous waste dug up from the sand burial sites will also be transported to Austria.

Although they have been complaining about the environmental pollution for 10 years no one really listened to the

region's residents until now. True, a voluntary citizen committee had been set up to cooperate with the Swedish environmental experts, but its recommendations were largely ignored. But they have recently organized a residents' forum that was attended by a Maritech representative, Swedish and Hungarian experts of LRF, the environmental authorities, a public health representative, a medical officer, two Nagykáta Szabolcs County officials, numerous reporters, and the involved residents.

Drinking Water for Lack of Anything Better

[Text] Mayor Dr. László Magyar reproached LRF's Hungarian executives because, in his opinion, they have not done everything they could to completely reveal all their "secrets." According to those present, there should be bills of lading and receipts to show what was shipped, where, and when. But LRF executives are showing strange symptoms of collective amnesia. For it is not certain at all that these recently uncovered seven wells are the only ones where hazardous wastes are buried. The water of Nemesvár's and Oregendó's wells have been examined recently by public health officials. And they found everything in them except water. They contain copper, zinc, lead, cadmium, nickel, chromic, mercury, arsenic, and nitrates. The official evaluation was: "Acceptable as drinking water for lack of anything better."

Different Measurements

According to the residents, the examination of the wells indicates that hazardous waste was dumped at other locations as well. But where? LRF officials do not know of any other location. But Nemesvár residents identified three additional locations. They do not believe public health chief Dr. György Kádár, who was trying to prove that zinc was the only pollutant that exceeded permissible levels, and that the cause for that could have been the fact that people use non-enamed buckets to take water from the wells, and moreover, that the structure of the soil could also have been the culprit. Residents of the region are now looking for an independent laboratory to carry out further measurements. They have also asked the Swedes to have all wells—about 200—checked.

It is unlikely that this will happen, however, the Swedish environmental experts promised in an uncertain terms that they will examine the newly identified locations as well. On the other hand, LRF experts who were present at the forum emphasized that they are observing the laws—which were made after the hazardous waste had been deposited. And they have been "cleaning up" illegally built wells and without the plate since 1990. They have done everything they could in the interest of protecting the environment.

Action of Collecting Signatures

Those present found all this inadequate. It was said that those responsible for the damages must be sought out, for what happened at Jászberény's outskirts was criminal. Even the issue of compensation was brought up. Their real estate properties are now of lesser value and no one buys them.

produce at the market; for the plants soak up the water-soluble pollutants. Not to mention that the previous regime held back information from them. They were thus completely unaware that by pouring out the contents of one or two dug-up barrels, they themselves also caused damage. They used the barrels for collecting manure and for distilling brandy, endangering their own health.

The Swedes would like at least to begin cleaning the soil. But, for the time being, no one knows when they plan to do this. Owners of small gardens in Nevaur have begun collecting signatures. They would like to have the dump site designated by the Swedish and American experts—where the less-polluted soil would be taken—moved elsewhere.

New Measures, Internal Policing of Customs

9.2.90.006.4 Warsaw RYNAK ZA GRANICZNE in Polish No. 49, 23 Apr 92 p. 7

[Article by (Uk) "Customs Inspectorate—For Smugglers and Customs Officers"]

[Text] In addition to fiscal and building police, we will have customs police, most probably at the beginning of 1993. The idea of creating a Customs Inspectorate originated as early as last year. The reason is the necessity of tightening the borders.

"Certainly, the new customs law, which has already been in effect for over a year and a half, expands the possibilities of the customs officers in the matter of inspection, but it turns out that it is not enough. The written laws exist, but there is a lack of implementation," says the press agent of the Head Office of Tariff (GUT), Krystyna Urbanska. The Polish customs inspectorate will be modeled on similar organizations operating in the West, mainly German and French.

Structure

In the beginning, a General Customs Inspectorate will be created, with its seat in Warsaw. It will be headed by a general inspector, elected at the motion of the GUT president by the Council of Ministers. Besides the "head" in the person of the GUT president, the newly elected structure will not have anything in common with the current customs services. The target number of customs inspectors working all over the country is 1,500 persons.

For the present, it is planned to create eight centers in Poland. Where is still unknown. However, it will certainly not be in localities where any customs offices or stations are working and operating.

As we have learned at the GUT, two goals are the guiding principle for this idea:

- Expansion constantly too small a network of customs administration in general.
- Elimination of all ties between the current structure and the inspectors.

The Field and Area of Operation

The new customs law allowed for exaction of a fee for two years after goods are imported to the country; the activity of the customs inspectorate will be aimed mainly in this direction. Currently, the customs officers seldom use this clause, and for very prosaic reasons, such as lack of personnel and resources.

Although, generally speaking, the idea of the customs inspectorate is to tighten the borders, one can also expect that its work will solve two basic problems. This will be first, renewed inspection of economic subjects within the country—and the inspectors will concentrate on this. In addition, it is hoped at GUT, that the number of crimes committed will be reduced by the very consciousness of the fact that, even if one succeeds in outsmarting the customs officer at the border (by bribing or deceiving, lowering the customs value of the goods on the invoice, etc.), then he will still likely be caught in two years.

"It is no secret," says Krystyna Urbanska, "that the prospect of prolonged fear of bearing the consequences discourages one from abuse. In addition, the customs inspector will be able—and will certainly not give up this right—to verify the correctness of their own customs officers' actions. If we take the fact that in 1991, 180 customs officers were fired for abuses themselves, then the inspectors here are the very best around. Similarly, in the case of dishonest tradersmen, also prone to bribery of customs officers, they will not be able to sleep soundly. The fact that their 'oversight' may be detected at any moment and they themselves punished, certainly motivates them to more honest and upright work."

The basic field of operation of the inspectorate will be the country. Although so much is said about smuggling, the GUT considers that the main losses for the budget, and thus the largest field to abuse, is the lowering of the customs value on invoices. And if the customs officers theoretically have the right to question the invoices, then the practically existing procedure deters even the most persistent.

The strategy of the inspectorate's operation is based on the fact that, in connection with the changing situation (the systematic reduction of tariffs), it is high time that customs officers concentrated on the quality of the performed work. Then if fraud is even more rarely detected, success will be achieved, because sensible control will bring increased returns to the budget from the paid duty.

Where To Attack?

For the present, restructuring has begun in the GUT itself. The Department of Customs Control was eliminated, and from a group of 10 people was assigned, which is the origin of the GIC. These are the so-called operational services.

At present, there are two basic problems—the financial resources necessary for creating the inspectorate, and the forcing of essential improvements in legislation, which will allow the unimpeded activity of future inspectors. The arguments of the GUT that investment in the form of the inspectorate will be returned rapidly seem convincing.

The first goal of inspection, aside from detection of lowered invoices, will be disclosure of fake clearance documents. In addition, this concerns the elimination on the roads of vehicles with western registration, which are owned by Poles who are permanent residents of Poland, and of, as it is designated, the "mafia" sort of either stolen or smuggled vehicles. In association with this, certain changes in the highway code are necessary. For example, it must have a regulation authorizing the customs inspector to inspect cars on the roads without the assistance of the police.

The next step is to introduce improvements in the customs law. There should be no problems expected here, because it will be pure "common sense." It is known, however, that inspectors from the operational group will be delegated for the first inspections before the end of the year.

Specialists from different areas—accounting, law, economics, and finance (in addition, a university education and fluency in a foreign language are required)—will be employed as inspectors. It should be expected that they will

would appear in selected places, warehouses, and civil apartment buildings (the latter with the approval of an attorney).

If the inspected person is not able to document the origins of a commodity (present a certificate or clearance paper), then this commodity will be confiscated, and a procedure provided for in the penal fiscal law will be commenced against the owner (the highest penalty is currently 500 million zlotys).

By reason of their performed tasks, the customs inspectors will exercise greater authority than customs officers. Close cooperation between the police, fiscal police, and customs inspectors is provided for.

Defense Industry Restructuring Proposal Outlined

(*U.P.D.W.B. Rzecznik RZECZPODLEŻNY ECONOMY AND L.I.E. supplement*, 10 Polish 21 Apr 92 p 1)

[Article by Antoni Kowalski, "Defense Industry Under State Supervision: Ministry Proposes Six Holding Companies"]

[Text] First of all the defense industry should adapt to the conditions of a market economy, in order that it becomes effective economically and technologically and, therefore, a competitive weapons supplier to meet both the national requirements and the needs of foreign trade.

These are the general targets of the program the Ministry of Industry and Trade has developed for restructuring the branch. The ministry is treating industrial policy for the branch as part of the country's defense activity. There is emphasis on the strategic significance of this problem stemming from the need to maintain some sort of production capacity during peacetime as well as when threats mount.

This is why the basic hypothesis of the restructuring program being presented is the assumption that the domestic defense industry should furnish the armed forces with the necessary weapons and equipment to conduct conventional war. In this connection, the user should take special pains to prevent certain strategic production facilities.

The basic goals that have been written into the program are the following:

Reducing production capacity to the state's economic possibilities and trends, focusing specialized production in certain industrial branches and enterprises, converting the remaining capacity to free market production, changing the structure of the arms industry, and having the remaining enterprises of the industry adapt to the customary rules of a market economy.

Having in the type of goods produced and the technology of production, there is a proposal to create holding companies linked through capital and cooperation. The program proposes to divide the 12 existing industrial branches of special goods into three groups of enterprises.

The first group would encompass between 10 and 20 plants of strategic significance. They would create four holding companies (aircraft, armaments, munitions, robotics, and

spacecraft materials, radar, and electronics and optical products). These companies would function as a one-part company, the State Treasury being a 100-percent shareholder.

It has been proposed to restructure these companies somewhat quickly.

The second group would include about 70 companies operating as stock companies, with the State Treasury as the controlling shareholder. Two holding companies would be created, an overall one and an armored vehicle one. The Northern Shipyards in Gdańsk would also be included.

The third group would consist of government firms, stock companies and private firms operating on the basis of a free market economy. Among other things, they would be compensated bidding and engage in specialized production, for example, in certain branches such as the following: ship engineering, automotive, aircraft, communications, and supply.

This program is to be carried out in three phases. The first, which has already been accomplished, consists of drawing up the outlines and working out the paths for the restructuring. Next, business plans would be developed for the various groups of companies, and in the final stage these plans should be quickly implemented.

The basic condition for carrying out this plan, of course, is having the Council of Ministers approve it and make the appropriate decisions concerning it. Alongside this, the necessary documents mention the conditions such as assigning to a bank or banking consortium the responsibility for complex services for the defense industry and arranging specific loans to finance a financial plan to buy weapons and equipment this year and to pay for projects completed but not delivered yet to Yugoslavia and Iraq.

The documents also talk about the need to monitor a strategic project for about undertaking negotiations immediately concerning the members of states that formerly were part of the USSR and possible trade with these countries this year, about comprising from state-owned companies to be used in final production designated for national needs, and about creating a State Treasury Arms Agency which would be charged with managing these assets.

The Agency for the Development of Business is expected to direct the restructuring of the defense industry under the supervision and inspection of the Arms Department of the Ministry of Industry and Trade. The governmental decisions at the course of the restructuring process might be made through the Defense Industry Council, which includes all concerned departments.

Progress of Negotiations With EFTA Is Slowed

(*U.P.D.W.B. Rzecznik RZECZPODLEŻNY ECONOMY AND L.I.E. supplement*, 10 Polish 21 Apr 92 p 1)

[Article by Zbigniew Wawrzyniak, "European Free Trade Association Negotiations: Problems With Agriculture"]

(Text) The Finns and Norwegians have already signed a multilateral agreement with the EFTA. European Free Trade Association countries (Norway, Sweden, Switzerland, Poland, Iceland, and Austria) It will remain for them to make further difficult bilateral agreements with each of the member countries separately. Poland had planned for a temporary agreement's going into effect back at the beginning of the year, but now our negotiations are continuing that the talks must still continue. Hungary is in the same situation. Both the Poles and the Hungarians are of the opinion that it is worthwhile to take longer to negotiate so that the agreement will be no worse than the one they managed to reach with the EEC. Agriculture is the key to the agreement.

The negotiations are not like last year's negotiations with the EEC committee, because the EFTA has no common supranational machinery to organize its committees, as it were. In this organization, every country speaks for itself, and there is no question of reaching any sort of consensus.

Switzerland, Austria, and Sweden are the most difficult partners in the group. It is not easy talking to the Norwegians either. They use all available defenses to block our trade exports. There are so many pharmaceutical restrictions that hardly any of the EEC countries can meet them. But the reason the countries introduced them was not so much their excessive concern over the health of their citizens as concern for the health financial condition of their farmers. The reason the average Norwegian pays so much for food is that it costs the Norwegian farmer so much to produce it, perhaps because of the climate. Everything imported to Norway is subject to a discriminatory system of permits. It is an exceptionally closed market.

The Swiss too have a whole list of regulations maintained by the country's agriculture, and in practice they do not make preferential concessions. If the negotiations concern some other product, then the Swiss grant more favored status status for all similar goods imported from other countries as well. There are no recognitions, and this fact makes the Swiss exceptionally difficult partners.

Indeed, on the other hand, attempts made from across to bring agriculture to market is through the small. Talks are in progress with the Swedes, but there cannot be any real result.

This requires closer on the greatest difficulties. The Austrian and Swiss have nothing against our having a greater share in their food deliveries, because they themselves do not do enough fishing. The Norwegians and Swedes, on the other hand, would see no problem, if we wanted to sell the EFTA more largely. As a result, there are problems with both the former and the latter. Some of our partners in the negotiations are anxious to see Polish processed agricultural products, but they are very concerned to access to our market. Tomas Juhola, one of our negotiators, was that the agricultural conditions might improve or talk with the EFTA and that we should work out right agricultural information soon.

Our trade with the Finns is another question, because the staff in trade is zero, owing to the ECAWIS agreements in

effect eliminating credits between Poland and Finland. This is the reason there is so much interest between us, for example in our market. If we sign an agreement with the EFTA, ECAWIS will automatically cease to be in force. ECAWIS after all, was better for us at one time. At that time the Finns preferred that a country with a centrally-planned economy and centralized agriculture and industry would take advantage of easier access to their free market. Now our producers are progressing, because the Finnish free market is far better organized than ours.

All this goes to show that before we actually sign an agreement with the EFTA and it begins full operation, Austria, Sweden, and Finland will enter the EEC, and all sorts of mutual understandings will begin to develop and come each other out. Then most of the problems that today seem insoluble will cease to exist of their own accord. Our affiliation with the EEC is based on market principles, and the next stages are clear and simple to predict.

Europen "Newa" Found To Be in Draft Stage

AFS-112-91 Warsaw 14/2/82 PRZEMYSŁOWE i
BIAŁDZIĘCKIE w. Poland No 15/82 12/26 pag 62 z 4

A unidentified article: "Newa Europen Draft"

(Text) The activity of the regions of Lublin, Czestochowa, and Silesia bordering on the USSR and Czechoslovakia is already entering the stage of concrete discussion on programs of action under the auspices of what is called the "Newa Europen." For example, the Czech side is interested in using excess heat from the Tarnow electric plants to heat areas located near the border.

In Lublin and Bielsk, construction is beginning on a wastewater treatment plant that will help improve the environment on both sides of the border.

The German side is planning to open an environmental training institute in Zduńska Wola near Puławy and exclude students and college students from Lublin, Czestochowa and Lublin.

The Newa Europen capital and board have operating agreements calling for the development of their own financing as well as their own programs for opening up new border crossing points.

French-Polish Chamber of Trade Described

AFS-112-91 Warsaw 14/2/82 PRZEMYSŁOWE i
BIAŁDZIĘCKIE w. Poland No 15/82 12/26 pag 62 z 4

Interview with Jean Zardecki, president of the French-Polish Chamber of Trade, b. A.L. place and day not given. "French-Polish Chamber of Trade?"

(Text) The French-Polish Chamber of Trade and Industry came into being in April 1981 at the initiative of the Association for the Promotion of French-Polish Economic Cooperation, a nonpolitical division of January 1973, confirmed in resolution. The Association's headquarters are in Paris. Jean Zardecki is the chairman and founder of the chamber.

[Zermatt] After obtaining a large publication and distribution, in terms of information, the chamber publishes a monthly bulletin, and we are planning to publish a bi-monthly of some sort. We also have contacts with the French Chambers of Trade and Industry. Because of these contacts we are setting up meetings in French companies. We also disseminate information about the possibilities for economic cooperation with Poland and encourage investments this way. We already have more than 40 chamber members, and we provide them with the appropriate advice through our office in Warsaw. At the moment we have 67 Polish members. This may not be the largest chamber with French participants.

[A.L.] What do you consider to be the chamber's greatest achievement?

[Zermatt] Firstly the fact that in a short time fewer than 60 firms have made contact with our chamber. We are pleased over Polish contacts with us. We think that the presence of VEBs on the Polish market will be a similar success. We have a high estimate of the chamber's publishing activity. I think that we should consider the cooperation of firms at both sides to be a great success because we are here for互相合作 after all. Not for the companies.

[A.L.] People often say that there is no real cooperation between French companies or institutions. People say that the French are individualists. Is that true?

[Zermatt] The French are built in to their privileges, and consider that there is no cooperation like that in Germany or Belgium. Many cooperations are a little like your idea. But this should not lead them into isolation.

[A.L.] How do you rate the extent to which the credit institutions have been replaced in Polish-French relations?

[Zermatt] There is great interest, but credit is often difficult to obtain owing to the severity with which credit applications are treated. Moreover Polish commercial banks are at this moment in growing crisis. They are very aware of a great portion of the credit has not yet been used, but I think that more cooperation should be made. Finding valid French partners and providing credit applications better would make things easier for Polish firms.

[A.L.] The chamber's bulletin has information about legal issues. What is that all about?

[Zermatt] We send chamber members complete information about the Polish legal system and conditions for entering into contracts. We also act as intermediaries of marketing contacts with consulting firms. I always emphasize the desire that we do so.

This being a central concern of certain sector experts of Polish law concerning the purpose of projects, for example, and certain difficulties with finding real cases. The situations arise in which the main obstacle should come from or where there are difficulties.

[A.L.] Do chamber + chamber also strengthen the role of contacts with foreign business firms in Paris? (as we already) by talking about exits out of Polish production somewhere other than Paris?

[Zermatt] We very often have access to information from chamber members, and it is true that they can be quite interested. We are trying to just as much information as possible to our business, as an advantage for French enterprises to enter to Poland, as they can come into contact with Polish firms. There are already many regions that are open and involved in cooperation with Poland. Like Marne, Bourgogne, Strasbourg. On the other hand, the National Chamber of Commerce is trying to put our organizational capacity to promote Poland on the French market.

Turnover of State Real Estate Expected

[A.L.] What is the State Real Estate Expected
EXCERPT AND L.A.B. cooperation in Poland
10.3. Apr 82 p. 17

[Note to Edmund Szostek: "In the Farm Program Agency People Understood the Value of Time"]

[Szostek] The State Treasury + Farm Marketing Agency (A.R.K.) has created a state tax law on the one hand, and a state tax code, on the other (for example, with regard to the agricultural law). Income agricultural work has been going on from the very beginning.

Chairmen and their deputies have already been named for all 14 local branches of the agency. The stage of interest training has also come to an end. A book of procedures for taking over state farms has been developed. For the moment there are 50% of these procedures, and there may be still more later. Work has begun on putting in order the procedures relating to lands that form part of the State Agricultural Land Fund (P.Z.L.). The joint February agency-National Agricultural Tax - want all the masters and village masters election they would agree on behalf of the A.R.K. to sell or lease P.Z.L. land after its transfer to the State Treasury + Agricultural Land Fund. As might have been expected in the detailed measures of laws, the answer was "yes". Now the town and village masters have documents confirming them to sell or lease these lands. Upon instructions from the agency, the persons given are taking on the obligation of selling land as of 31 September of this year. They will receive 7 percent of the sales price as a compensation for the sale and will be reimbursed for the costs of drafting the contracts and providing documentation, writing up the sale and so on.

Farms and lands destined for termination are excluded from these sales, along with land designated for congressional and national purposes in final regional planning. If they have not yet been transferred to the persons, or "cooperative owners", of course the funds from the sales are to be transferred to the agency + chairman of the Final Institute there.

During the past three days the A.R.K. has received 300 applications to have property returned. Most of these applications are not supported with any documentation at all. For example, a man writes that he is asking to have his property, if supplements measured to him and that, under such

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27 Mar 1992

POLAND

agreements, he had about 700 hectares. The Ministry of
Planning and Construction estimates that under the new
pace of reparation the area land to be expropriated could
amount to about 1.4 million hectares, a figure that needs to
be greatly reduced. On top of the other, there will be a
large traffic in land turnover during the next five years. In

this connection, we will have to take another look at the
area of land compensation. It does not seem as though we
can avoid updating the land compensation law that was
created under different socio-political conditions when the
first negotiations between the organizations were not the same as
at.

Coffee Ministry Official Collection City Name
a. Name of Deacons Registration #
b. Name of City #

Actions to reduce greenhouse gas emissions in the transport sector

Final 10 minutes with others from our group

comes round to the view of the Foreign Office in giving the secretary of the public to press against the other chamber in which Mr. Chamberlain's policy is disengaging the authority exercised in that. In fact, at a meeting held at 10, Downing Street, it was decided that following discussions and discussions by Mr. Foster along with the members of parliament against the disagreement with the resolution in question. There are the facts.

On 28 August the members of the Hungarian delegation in Germany addressed to the head of the delegation of WFDPRU a memorandum of Young Democrats (Hungary) in Germany—the Hungarian Committee (HGYD) in cooperation with PDSZ (Hungarian Association of Young Communists of Hungary) and with the participation of Black experts. The meeting's agenda concerned the tasks of local administration. The main point was the term "self-government" (published in English) and in the meeting agenda, which in Hungarian means self-government. However, since the HGYD of the Hungarian delegation has an "independent, armed, and anti-socialist aim," the meeting in question was viewed as opposed to the constitution and the culture of socialism.

**It was agreed to the measure to take the steps of
the Committee on Education**

6. We need a legitimate mechanism as provided for an argument. The actions of the members of the Free State government obviously attest that the actions of the meeting were not necessarily directed to members of local administration at the height of a series of meetings in Free State.

It would be reasonable to expect that the meeting at question was called devoted to discussing the new "legislation" in a broad sense other than a regional one, and express measures defining legal rights against those involved could be taken only after such discussions had taken place after they would have been the main subject of the aforementioned meeting of the members.

It showed the letter of the Constitution appears to give Germany's free press guarantee. Constitution was adopted to maintain, in a spirit of democratic opinion, the rights and freedoms without which a free governed state and Germany's integration in Europe are incompatible. However, providing the Constitution and the country's laws as a support of the free exercise of the rights from disappearance but for the purpose of controlling or taking care in a legal framework and organization practice. The intent is not protection from the abuse of the power of the organs instead, observing the law that regulating about enforcement and functioning.

In the present publication a 1980-1981 estimate was made for April 1981. The Black group earned among other things \$10. The Black group wants to return to negotiations about their financial condition. It was suggested the members of our

coming back was a problem and I thought we should have been home by Friday at the latest and I had a lot of work to do so I decided to drive to Bismarck Saturday after the Marathon to get away from it all and have some fun. The trip was a bit long but we did make time to stop off at the Badlands.

On 10 August 1945, former commissioners of the U.S. Senate to study the representation of the black branch of the Negro community by all their branches, which was holding a meeting between members of the various congressional branches of the Freedoms and its representatives in Cleveland, Chicago, and New York. The purpose of this meeting, which had two main objectives, was to propose a framework for a national convention between Negroes throughout the country to discuss issues which are impeding social, religious, and political progress in the areas of activity of the Freedoms. In the process that they were using to accomplish this objective itself to be the most important, the members of The Freedoms made the organization of the meeting unanimous upon the participants agreement to hold it in the presence of representatives of the three branches and of other colored organizations. In the end, the organizers arranged the conference program in order to not compromise the planned meeting. But that did not stop them from changing their intentions and ultimate outcome. On the 10th of August (August), without the writing consensus of any organization, members of Congress in Washington, continuing between their various delegations to argue the laws of the country and the right of self-government, addressed a message that they are not their legal and moral obligation to allow this meeting.

The first group in which Dr. Darrow succeeded in
convicting the two of 18 capital cases was in the
trial of the Darrow, who had been other time

Mr. — said 29 aged 1921 at confirmation services and other similar public meetings impressed on the members of the Diocese of Chagres will be admitted at the first

Fig. 2.—The importance of local public opinion will also increase as we move westward, as there is less time from the present to the future, in which there will appear the same kind of local opposition to dams. The present plan does not cover all the areas in the Americas, the Americas, and the Pacific.

The Public events designed to promote the reform
in the government system of Germany's Constitution are

The above order is unconstitutional because under the law, persons of upholding the principles of the Constitution, i.e. those enacting the constitutional conditions for exercise of the rights enshrined in the country's fundamental law. When an administrative authority arrogates the right to decide whether, judging by its terms, a constitution or a congressional act is not in keeping with the "principles of the Constitution", and on the basis of such an interpretation to allow or prohibit it, this violates the core basic principle of the rule of democracy. Each person's freedom of thought and expression. According to the Constitution, no one, organization, or

ROMANIA

activities, including the organization of exhibitions and conferences for confirming the obligation to an international cultural organization in the area of art, culture and scientific research, as well as other and various cultural activities and interests.

In this field, as an ordinary citizen participant in n.D.R. Project 1, DE (D.L.D.) of 11 April 1982, the major cultural public advertising organization, in which to present our "international cultural achievements" and our other accomplishments will be made in the official state newspaper *Romanian*.

I had also discussed considerable texts, at first with the persons guaranteeing the extension of the Museum of Cultural and spiritual life of its members, and at last with the international rights regarding the preservation and use of the cultural elements of the national literature. In this order the Mayor of Cluj-Napoca evidently wanted the organization which he manages immediately, through Daciu Drăghici, the chairman of the Committee created, according to the principle that "nothing that is not specifically Romanian is allowed". Consequently, aside from the fact that the general rights of international protection regarding the use of the members' member language, Mr. Fodor also made the decision of giving a more or less interpretation to the country's laws in the sense of the principle that "nothing that is not specifically protected is forbidden," a principle of legally-confirmed and intellectual origin.

So, as known, Cluj-Napoca is home to two prestigious cultural institutions of the Hungarian minority, the State Theater and the Hungarian Library, which in fact will mark their bicentennial anniversary in December. It is remarkable that both they and other cultural institutions (private foundations, scientific societies, etc.) demand but have a right to administer their programs in the public in the Hungarian language, too.

I want to appeal to the position of Cluj Council to carry out the measures connected to turn the existing difference of the international and the laws in guaranteeing the fundamental civil rights. I think it is necessary that involving the international in the law for the purpose of confirming rights and freedoms seems like a professionally-attested right concept and carries the trial of the rightlessness of traditional practice.

Comments, Former PSD Member on Bilingualism

Chairman of the Bureau of the PSD in Banat
17 May 1982 (J.L.)

Address to Lucia Dragomir and Mr. Ion Luca: "The National Liberal Party Wants to Bilingualize?"

First I want to wish friends and here as the three powerful men in the Democratic Federation (FD), the PSD, National Liberal Party mostly can see a wave of present anxiety from us, our tasks. The decision of the liberal leadership to pull out of the FD also generated a strong of rejections by citizens and anger from the independent public opinion groups, considering that, in fact with our political opponents, brought about the present parliamentary

situation in which the PSD, a government party, has been left without a parliamentary group in the Senate. It means that the situation is not very good in the local ethnic-cultural majority between the central authorities and ethnic organizations along in the territory's residence. In fact, in 1980, adopted, had to the 1 of April, there is a decree that Unesco Brasov was modified residence in the central or possible center of the Banat.

Based from the former arguments used by the liberal staff of PSD of its position, the way of guarantee—and, respectively, securing the members' great rights concerning from which have them made more work up to the inclusion of ethnic cultural and religious in the year of the PSD (National Socialist Front) and the continued development of the international creation. With an adequate national language, the PSD could pull them up off the streets. In case of course, the party can gain a very powerful pressure in the Central legislative body and in many different areas in possible need in case of future. The next Mayor's related

The better understood aspects concerning the international taking place in the PSD, we asked both performance members who engaged and party chairman Radu Caraman to additional details.

Radu Caraman, member of PSD and vice-minister of the Ministry of Education and Culture. 8 June 1982. He has 1 preceding his question

"The reason for the migration from the PSD, was the substantial difference between the approach between the members and that of the party leadership regarding the party's participation in the FD as a form of realization of the genuine cooperation. I wanted and continue to note the PSD as a major party, but I preferred in my own way against what I have in a political strategy, much inadequate for the time, a strategy that may place the opposition in a difficult corner or add to its difficulties. My position was reinforced with the views of a great number of party members. Some of the PSD members (though are a lesser of the PSD) I discuss with the FD members, and from what I have learned, a similar atmosphere is prevailing in other members, too."

"Personally I cannot support a movement designed to break the unity of the opposition. I do not place party interests over the national interest in the countries, and this interests is the internationalization of the country. That is the principal objective. The differences of views among the various democratic parties are not important at the time. However, around the issues started by the PSD, leadership do not satisfy the position it adopted."

"As far the liberal participation in the government, I believe that it was beneficial, that is provided additional liaison and cooperation, and that the liberal members fulfilled their duty. The PSD is a party with a very great potential and that is why I think that leaving the FD because was a major mistake. I was asked to have to make the press, I made, but I do not regret it and I repeat the process."

See How, despite the Way I Hope Not to Find Out That I Was Chased From the Party

I imagined because of the pressure taken by the party leadership about continuing the CD alliance. This is a different political movement and the leadership should have placed the national interests above everything and made the different movements in order to maintain the movement. I did not like the political conduct of the parliamentary delegations, the discussions concerned on the continuation among the CD members instead of dwelling on the need to go to the elections together.

Nevertheless, I think some foreign are still left to sustain the unity of the opposition. It can be strong, but without personal antipathies and pride. I think that the local authorities granted to certain organizations to discuss whether to participate in the coalition or not was a political gesture of some objective effectiveness.

The United Fronts our supporters wanted to be part of the CD. We had the experience of the local elections, where we lost them and won only 7.7 percent of the votes.

To far as I am concerned, I still have myself as a liberal, I am not a party member, and I hope not to find out from other sources that my membership was withdrawn.

State Press Agency, Bucharest No. 3, Bucharest, 4 March Economic Reforms

"My decision to leave the PNL after over 40 years of activity was based on two reasons. The liberal participation in the government without returning their previous to change certain structures in the economy and the administration, and getting away from the CD. In today's situation, where the parties are all weak, the former opposition must unite around a common minimum platform, which is precisely what the CD had done."

"I have not changed my political concepts. I am still a liberal, but I have broken away from the party leadership, which I think is following the Tataruans line."

"To an extent I appreciated Tataruans's option in 1976, which led to his shift to Gheorghiu's National Defense Forces, after the way there was another Tataruans direction, where he joined the Bloc of Democratic Parties under communists' tutelage. At the time however, it was a question that did not exist, while the trend remained standing. I think that now the PNL, in following the Tataruans line and in breaking from the liberal principles I think that my position is aligned to the large majority of liberal supporters in Bucharest No. 1."

Press Agency, an independent source Bucharest, 5 March

"I was never a PNL member, only a member of the Association of Former Political Prisoners and I am not the PNL, but as an independent. The main reason for my withdrawal from the parliamentary group was the PNL pulled out of the CD. I viewed the Communists as a threat of struggling against the old structures and I thought it was a greater form of democratic opposition. Another reason was that when I suggested that Point 8 of the Tataruans Declaration be included in the electoral bill, none of the members

of the liberal group supported me. Moreover, I was not asked to the Congress, which I thought was enough and sufficiently facilitated to support the decision that gave birth to the repressive program. My position does not signify a distancing from the liberal direction and I think that in the future, if I am accepted, I will continue in the CD line."

State Committee, The Economics of the PNL Who Was Elected

[ACB/1481] What do you think about the integration from the liberal parliamentary group announced by Tataruans, Marin, Minulescu, and Gheorghe Tătăru?

[Deputy] Mr. Ivan Balint was an independent who found a spot on our lists. As for Mr. Gheorghe, I talked to him and on the next afternoon when he announced his integration, he attended a meeting of the group and presented to consider his document, which was taken in the order of a small discussion he had with Senator Tătăru. Mr. Gheorghe Balint said he was leaving with the leadership bodies of the party, but that he was going to continue working in the Protestant organization. A few days ago he already attended a meeting, along with Mr. Gheorghe, where the discussions were focused together with the CD.

[ACB/1481] What is the situation of the fund?

[Deputy] The party's performance delegations, focused in progress at initial understanding with the historical partners, but we granted autonomy to the various organizations to make their own choices. Of course, each one will discuss the alliance issues with the party leadership. As a matter of fact, this is a principle of long standing. The fact that other organizations want to stay with the Communists than the after the creation of the PNL as a whole, can contribute for example. One religious organization published a letter in a newspaper stating that it was going to run in the elections with the Communists, but that this certainly did not offend. Consideration.

[ACB/1481] Is it easier now for the PNL (organization) to negotiate with the CD or without the CD? (See article Unite of Hungarians in Bucharest-in Hungarian (EUDHU) meetings, will we permit it?)

[Deputy] For the time being I cannot answer this question. We will see and we will discuss with our representatives. Our split from the CD was caused by the fact that the CD was running in the elections with it. For the Communists there is still one issue which is problematic. They never support Tataruans.

Association Church Units as Secretariat Reforms

Memories from Starkovici

[ACB/1481] Bucharest, 12 April 1988
15/11/88 07 x 12

Unpublished interview with Florin-Claudiu Starkovici, reporter for ROMANA (1988), poet and also has given: "I Did Not Know the Courage to Answer You (interview)"

[Text] [127] What are your feelings about the development of your life?

(Mureșanu) These signatures of ours were obtained at a time when Mărgineanu was in great difficulty; subsequently he became a major Romanian. It is perfectly true that I signed that pledge in 1973, when I was working for the International Relations Directorate of the Ministry of Transport and, but I do not recall signing a pledge that read like the one which was published. No memory can be misleading me, because it has been 17 years since then, but I do not think so and I would like to see the pledge in the original just as I would like to see it be disclosed to the committee. Because I never practised political attorneying, I did not form any colleague. The information that was reported of the concerned financial activities or deals which I later learned the Secretariate staff was sponsoring, I do not know whether now they would find a commitment to publish what I then wrote, for example about the joint Romanian-Mișcarea falangă association or about the impossibility of implementing the model of centralized cooperative guidance issued by Comintern. However, what I cannot deny is the date of the signature at the time, I allowed myself to be governed by fear and cowardice at that point and I did not have the courage to refuse to collaborate. I gave in to Mărkulescu, although later I realized that I could not have done so.

(127) What kind of blackmail was it and who was applying it?

(Mureșanu) The person who kept threatening me was a Secretarie agent who came with a threat with the SRI (Romanian Intelligence Service). He threatened that I would be losing my job, something very much dear to a man familiar with the "code" of the Comintern.

(127) You were asked who was known to be there with a威胁 (threat)?

(Mureșanu) Yes, a man with a threat (a man who all the time had to threaten to apply some repressions in order to fulfil his personal goals without causing anything different).

(127) Why did you have to have a protection?

(Mureșanu) Because of the need to keep a man under the protection of a supreme secret. You were warned not to reveal anything, because that could have very serious consequences. In fact I had no choice but to disclose to the Secretariate, considering that to them, as "intelligence officers," were denied in all the best parts of the Romanian communists all the information and all the documents passed through their hands. What we were required to tell would have been to return to the Secretariate. It was only the need to involve the individual into a kind of complicity, and to make him feel guilty. Because what happened is they happened to hundreds of thousands of people, who made like that, can at any time fall victim to blackmail, unless the disclosure of such things is still the prerogative of an institution which has claim to a "Comintern law" but is in fact the full successor of the Secretariate.

(127) Was the interest in question concerning you at the institution where you worked?

(Mureșanu) No, I was summoned to a new post at the Interior Ministry, in the Building that turned down an

(127) from 8 until 10, I was told. You think there is an increasingly harsh and threatening tone than if I did not agree? I would like to repeat it for the time of the file. I indeed agreed that I agreed.

(127) There did your collaboration with the Secretarie proceed in time?

(Mureșanu) I tried to bring peace as much as I could, so that at a certain point I became really uncooperative to the Secretariate and, as I myself stated, I was assigned the designation "weak". My lack of real was also demonstrated by the fact that in 1982 I was freed from the Food Industry Department. In 1983 I was once again put on the list of those who were to be freed from the Petrom's central, where I was working at the time. They would allow me otherwise my work because of that pledge. The proof is that at the beginning of 1984 I transferred to the Commercial Service of the Union of Petrol Workers and in late 1983 I even again found myself affiliated with a union in a different city because each institution had its guardian angel. The lesson I learned is that I wanted my collaboration with the Secretariate, I did not, and that was the last meeting I had with a Secretarie cadre. That was in June 1983. I do not think that there existed any motivation that was not under Secretarie coverage. Let us not discuss motivation. Because the trading role of the Secretariate in the Romanian state was regulated in 1977 under Law No. 27 regarding the case which, however much it may surprise you, a did under its effect. This is the reason that many cities in a while you find out that information keeps on appearing in some places. These networks are still in operation on the pattern of those years.

(127) Do you think that there were people who refused to collaborate with the Secretarie?

(Mureșanu) I am positive that there were.

(127) You said that very bad but good old informants about your colleagues in these reports. Was that not important to you?

(Mureșanu) Yes, I always asked for political information such as those to be seen in Radio Free Europe" than to comments on Free Europe." What does he say about the situation after of 1977? I did not agree to negotiate with such inquiries.

(127) Were frequent were your meetings?

(Mureșanu) I cannot remember very precisely, but at any rate they became increasingly less. After two or three letters a year, I always presented to be there, not to be there and so forth.

(127) There were no threats or other disclosed to you that might that you were not good?

(Mureșanu) I never received any kind of material advantages.

(127) I want to go back to your predecessor. Did the man who used to collaborate with after from you?

(Mureșanu) You could never be certain of the names of terrorist groups because two informants that introduced themselves under various names.

[227] Did you have a feeling of belonging to the institution of the Securitate?

[Muresanu] I did not for one moment feel that I belonged to that institution. That is the reason that in December 1989, looking completely uninvolved, I took the road that I did.

[227] Did you not think at the time that you should reveal this?

[Muresanu] At whatever time this had come out it would have aroused the greatest suspicion which would have been removed only with the greatest difficulty. There is always suspicion. Besides, I did not in any way feel that I owed anything to that institution called Securitate. I had no reason to do so. The fact that what was circulated by means of anonymous sources was not a whole file as was written, but disparate pages, shows that the Securitate is still viable, in 1992, trying to blackmail me, just as it did in 1971. While at the time I did not have the strength to resist the blackmail, today I do.

[227] Can it be proven that Magureanu was the one who released the files?

[Muresanu] Magureanu is deriving a, as usual, Magureanu never knows anything, but he was the one who publicly threatened the Parliament and the press with these terrible Securitate files. This is how blackmail and I hope that the press at least will know how to handle it.

[227] So what do you think, should the files be released or not?

[Muresanu] The files must be released. This operation of destroying the past must be carried out, all the more so since for the time being we do not live in a democracy. For the time being we still live under communism. And for the time being the Securitate is still running this country.

[227] But if these files are released, that may all at once damage the credibility of some people, at least for public, administrative, and other offices. You yourself can be approached for running as an independent in the 20 May election and under Point 8 of the Proclamation of Transcripts.

[Muresanu] Point 8 of the Proclamation banned members of the communists and Securitate officers from candidacy. I did not belong to these two categories.

[227] So who did tell you any moral restrictions there?

[Muresanu] I am no communist against the running, just as I am no member of the writing. No one can be denied the right to have his say in matters of interest to the society. I have nothing to apologize to myself for what I did in the past 10 years, at most within communism.

[227] Some people believe that your articles are too idealistic, considering the events in your past. Do you think that the rest of your articles served as a self-pacification?

[Muresanu] There is obviously no connection between the two and we must not confuse them. That is precisely why I said that the struggle we are waging must not be abandoned

at any cost. Once again, the ideas are our mine. I do not deserve any credit for having put them on paper, it is the duty of each one of us to write them and to sincerely, as you said, convey them further. Because we need this kind of consciousness. I do not see why we should need to whitewash things and distort our words.

[227] But as soon as we begin to look more closely at other issues, do we not run the risk of finding explanations for others as well (communists, economists, etc.)? They too may be able to convincingly show that they were guided or pushed by the system. So at what point does the culpability begin, what is our struggle, and against whom is it?

[Muresanu] This is such a vast topic that it should make the subject of a separate discussion. The explanations are many, but each person is defined by his attitude and actions. And if you like, since we nevertheless are living through abnormal times, by the risks he assumes.

[227] From your viewpoint, do you feel guilty toward the press or the GDS (Committee for Social Dialogue) about these 10 years?

[Muresanu] I have nothing to apologize to myself or relative to the newspaper because in fact ROMANIA LIBERA was the subject of most of the activities. No one can directly be loyal to the newspaper. And in fact, the attack on my career cast any shadow on ROMANIA LIBERA. If Magureanu imagines that he can harm ROMANIA LIBERA through me once again I think he is wrong. As for the GDS, I do not see how I could have acted against it in these two and ½ years. Perhaps by lack of participation. Perhaps by not being present, having been absorbed by too many other concerns. As a matter of fact, the GDS is not something very homogeneous or very well defined, neither in point of ideology, or choices, or personal orientations. I do not know whether the GDS has any right to act as a court of law. For what I have done in my life, good or bad, I will answer to God the merciful. Of course, my sin was bigger but did not the millions of party members also sign a pledge? Did they not join the communist party for opportunistic reasons? Are the journalists who write for Crinantei not to blame?

[227] So you do not think that you should resign from those posts?

[Muresanu] The management committee of ROMANIA LIBERA is free to take any decision in this regard. For the time being I have resigned as editor chief, but not necessarily as consequence of what happened now, but because I never liked being the chief.

Statement "Saved Lives"

438.029/118 Bucharest - 27 of Romania
21 May 92 p 21

Interview with Soraica Boica Stanescu, co-reporter for ROMANIA LIBERA, to Anders Pape, place and date not given. "16/19 at the Service of the Fatherland?"

[Tocu] [Pape] Was what was said about you at the Defense the true or false?

[Statement] Considering what they base on the it would be very easy for me to say that it is all a Securitate invention, all the more so as the report indicates that my file was allegedly destroyed. I do not intend to do so because in reality there is no reason for me to say that it is not true. With one exception, toward the end, it says that in view of the qualities, the SRI (Romanian Intelligence Service) wants to continue the collaboration and has tried to contact me. I think that is an extraordinary flight of the imagination, after all that I have been writing.

[Statement] How did you become an informer?

[Statement] It was not a very simple thing. In about 1971 I spent approximately seven or eight days at Piatra Neamț, where I met a Palestinian, much younger than who worked very hard. He introduced himself as the president of the Palestinian students in Romania. I was pretty concerned about the situation of the Palestinians. AL-EXPRES had just brought out a brochure with the entire history of the Palestinians. That is where everything began. I was curious to find out about the situation and whether what I had read was right. He told me that the reason for the Palestinian terrorist movements was to awaken the world to their problems, and that is how we became friends.

[Pera] Was he a terrorist?

[Statement] No, after he became more open with me he told me that the story about being president of the Palestinian students was only a facade and that in fact he was in charge of a terrorist movement called al-Fatah. That was actually the point where I began my collaboration with the anti-communist team.

[Pera] So you were not recruited?

[Statement] No. After that I talked to my chief editor. I got scared in my imagination, all kinds of disasters featuring bombings were going to be planned here and elsewhere.

[Pera] Your chief editor informed the Securitate?

[Statement] Probably. I don't want to replicate him here. Who would not have? Two officers came and asked me to write a report. I wrote it. After that they told me that this business involved risks, but that if I agreed, it was important to them that I keep up the relationship with the guy. I said with great pleasure. There was no question of any contract, nothing like that.

[Pera] Not of blackmail?

[Statement] No blackmail. I had only one condition which was respected from beginning to end: no political stuff. I told them, too, that the former had been pretty much dominated by the communists and that I had no sympathy for this kind of thing. The matter was linked exclusively to representations of some terrorist movements with whom I became involved.

[Pera] Did you write an OAS? Was there any action?

[Statement] The anti-communist team was cooperating with Western countries under various international agreements. On that basis they were able to make some arrests, prevent some bombings, and so forth. However, at some point

I caused a very bad and I violated their documents with those officers that he had begun signing agreements with heads of terrorist organizations. Training camps were established in Romanian territory, which then worked in other places (Germany, Italy, the Arab countries). For example there was the al-Fatah/Madhiya movement headquartered in Tripoli under al-Jadidhafi's wing. When I realized that deterioration I began to cut off my relations with them, so that I wouldn't have anything more to give. At one point I felt that I was serving Coausescu by providing him with information, rather than Western police forces with a view to preventing certain actions.

[Pera] The report themselves written. How did they demand too much to give you, in what terms?

[Statement] If I were with any of them in the [Danube] Delta and my share of the expenses was 100 lei, I would get that amount and sign a statement. The tragedy is that they will have three signs off.

[Pera] How do you know?

[Statement] I know because the file was destroyed. That is made clear even in their report. I think that the destruction of files, including this one, was a crime, because it was very interesting. It was like a police novel. And I was not guilty of anything. No Romanian citizen suffered anything. In about 1981 I began dissident activities and I was put under observation under a "Voluntary action" organized by an entirely different department, called the Petruș Action.

[Pera] Seems to me there was a movie by that name.

[Statement] I don't know. I dealt with people who printed or intended to print illegal leaflets and publications. What interests me now is that they managed to find out about its existence. Because in effect the illegal publication LIBERTATEA, which brought out over two issues, was the work of only four persons. It is amazing that they found out. We were two friends and our wives.

[Pera] Since you were working as a dissident, these same they did not try to sue you in that way, as they did with others?

[Statement] They were thoroughly familiar with my file and they knew what I thought. Many members of my family had been deported. That was the open in which I grew up.

[Pera] But they could have blackmailed you.

[Statement] You can only blackmail a person when he has violated the rights of another person. They had no reason of blackmailing me.

[Pera] Do you see yourself as affected Petruș like did the others in 1981? Romanian groups?

[Statement] Yes, but not completely. probably because of the fact that I told you. I came to feel that the information was being used for Coausescu's interests and that without my knowledge, I practically helped Coausescu to develop the best of relations with terrorist organizations.

[Pera] Did your wife suspect that you were an informer?

[Statement] They wouldn't know.

[Ponta] Nevertheless, during the time you worked as editor for VIATA STUDENTASCA you were pegged as an informer and your colleagues were careful not to mention certain pages of your penance.

[Statement] I don't believe that. Toward the end there was a very big dispute at VIATA STUDENTASCA between a group of others and the newspaper management regarding fraud. It involved Marin, Soreanu, and others. They had me pegged as an informer. I finally joined the party and at one general meeting I got up and said that they were stealing, wasting newspaper money. The two camps were genuinely divided over about fraud. A scandal broke out about it. Much more so connection with politics. Had there been anything that is what Magureanu would have produced now on matters regarding the anti-communist struggle?

[Ponta] The report mentions '200 solved cases,' but no anti-communist struggle, so we can believe anything.

[Statement] Please believe the report they put on the market.

[Ponta] Why? You make me feel that you rely on that report; are other documents not shown up?

[Statement] But I am convinced that there are other documents in existence. Seeing that the file was lost is a lie. Since they want to discredit me, they would have pulled out or at least falsified such documents.

[Ponta] After VIATA STUDENTASCA you worked for INFOMATICA, BUCURESTIULUI. Did you suffer any reprisals after handing in your party card?

[Statement] I handed in my party card and I said I did not agree with the party policies. I continued to work for INFOMATICA because after that came a whole range of "talks" in which it was explained to me that it was a shame about my little gift, that the could get run over by a truck. Everyone warned only one thing that I should return my card. That was after the scandal with Aurel Dragoș Mureșanu and then were afraid of another scandal.

[Ponta] But Aurel Dragoș Mureșanu was fired from his job because you were not?

[Statement] With him they did not do any kind of investigation. I took the party card back after they guaranteed to me when I say this. I meet Cioroianu, who was then minister for propaganda at the party (ministerial committee) but from them as I would not be required to write anything but what I wanted for the newspaper.

[Ponta] And that is how it was? You wrote only what you wanted?

[Statement] I was working in the department for "columns" and I wrote only what was possible not of what I wanted. I could not write that the country was starving, but I could write that there was no bread to be found.

[Ponta] So you attribute the fact that you were not fired from the newspaper to a passing opportunity, not to the fact that they wanted to keep you there because you were an informant?

[Statement] The question does not relate to the documents and the report they presented. They said that after 1987 they began to watch me and that I was under investigation. That is what they said. That the collaboration ended at that time.

[Ponta] Then said that the collaboration ended 'by common agreement.' What did that 'common agreement' mean, did you have some document about it?

[Statement] I don't remember exactly, but if they say so, it must have been. There was no such document, there could not have been.

[Ponta] So the report must not be believed as an offence?

[Statement] No, since they kept saying that I was being watched because of informer. That surveillance was down-right lame. Some days there were two shadowing me, about 1 or 4 hours behind, without communication. But I did not see a minute longer that they had heard not about the informer.

[Ponta] After the resolution, when you joined ROMANIA LIBEREA did anyone know that you had been an informer?

[Statement] No.

[Ponta] Who did you tell off?

[Statement] Because I did not think it was necessary. None of course. The situation was enough well known. I was away in England and Marinescu was at home. But as long as one didn't do anything which had to do with the political power or domestic espionage, as long as one didn't cause difficulties or harm, it's not something that weighs on your conscience or that affects you. My conscience is not burdened by anything to do with my collaboration with them, with the exception of that thing I told you.

[Ponta] But when you worked for a newspaper like ROMANIA LIBEREA and wrote no anti-communist and hardly did you not think that if ever the news to be released, the newspaper that would be placed in an unpleasant situation?

[Statement] My file contains nothing else to have a negative light either on the newspaper or on the anti-communist.

[Ponta] The mere fact that you were a Secretariat informer is not a negative light?

[Statement] The mere fact that I used human form a right European citizen is not an ugly fact in its opinion. So I don't think that this is something evil or ugly to come on one's conscience. Some of the informers categorically did not have anything to do with domestic espionage or with activities that violated the human rights.

[Ponta] You are a member of the Steering Council of the AIB (Romanian Information Association). Do you intend to withdraw from that position?

[Statement] Since this is a policy committee that must affect the organization of the association, I told the AIB Council that I was ready to immediately withdraw. They said that upon the question and decided to begin a round of discussions between the Steering Council and the Parliament, the Interior Ministry, and the AIB, which I will not attend, because

I never want to see Maguraru again. Discussions on what the Steering Council views as an attempt to blackmail the press and the opposition.

[Ponta] Now that your file or some of it has been made public, do you still maintain your opinion about releasing the files of the other informants?

[Stănescu] I always demanded that the files and the list of informants be made public, but in their entirety. What Maguraru is doing is not only illegal, but heinous. Maguraru is publishing bits of files, what suits him, and using them as a political weapon against certain opponents. This national blackmailing will stop only when the complete lists and files will be released to the public.

[Ponta] In the light of this file, can everything that you wrote after the revolution now be questioned by the public?

[Stănescu] The signs coming from the leadership do not indicate any such thing. I do not rule out such a possibility, but I assume that what I will write from now on will be free of suspicion.

[Ponta] At this point many readers probably wonder where you get some of the information on which your accusations were based?

[Stănescu] That would relatively easy to the since I lived that experience, had a popular newspaper, and showed great courage in what I wrote, people realized that I was a sound structure and brought me many pieces of information.

[Ponta] Nevertheless, some terms clearly came from, shall we say, a informant wing of the Securitate. Will you in contact with that wing?

[Stănescu] There have been many attempts of this kind concerning both myself and my colleagues. We received information about the informant wing of the Securitate, but we always viewed it suspiciously. Some pieces of information were kept for months on end, because we did not trust them, although they were correct.

[Ponta] Toward the end of your file it says that attempts will be made to discredit you again. What would have happened if the file had not been released?

[Stănescu] I don't know what would have happened, but collaboration with the SRI sounds like pure phantasy to me. How could they try to collaborate with the man who organized the Patriotic movement and who is struggling against the political police?

[Ponta] Perhaps precisely for that reason?

[Stănescu] Yes, perhaps if they had something with which to blackmail me. Three months ago I was warned that this report was going to be the market. How can one make a man who keeps kicking you become your brother?

[Ponta] Much has been said and written about Point 8 of Timisoara. Using the same line and the same criteria, would it look right to you if former informants were forbidden access to the press?

[Stănescu] I think that would be impressive. It never happened anywhere in the world. I think that officially all those who collaborated with the Securitate should be degreed of the means to express themselves publicly through the press, from the Parliament down, or from a cultural way. But, I repeat, those linked to disservice, political espionage, or the political police. What would be the point of banning a person who caught you from working for the SRI?

Yugoslav Army Reportedly "Moving in Circles"

4L2201120792 Zagreb NOVOSTI JESNIK
in Serbo-Croatian 17 May 92 p 1

[Article by Mirko Sajer: "Aggressor Is Not Crossing Danube"]

[Text] The Yugoslav Army must leave the occupied region of eastern Croatia after the blue berets have taken up their positions and taken control of this war-torn region. This should be the beginning of the first phase of the demilitarization of sector "E"—eastern Slavonia and Baranja. However, Croatian Army patrols have noticed curious movements by the aggressor's army. It appears that the Yugoslav Army has packed, but is not crossing the Danube. Instead, it is deceiving the UNPROFOR [U.N. Protective Force] by moving in circles.

What is actually happening? On Saturday, we asked Zvonimir Valenčić, Croatian Army official in the Osijek operational zone responsible for liaison with the UNPROFOR command in sector "E":

"Our patrols have recorded the movement of army convoys from Tengi to Sarajevo, from Sarajevo to Kino, and then back to Tengi. They are still not leaving Croatian territory. A small part of the army and equipment has left Baranja by crossing the Batina Bridge on the Danube. But all of the artillery is still in Baranja, and according to the orders issued by the UNPROFOR command, the guns should be pointed away from Osijek. However, not only is that order being ignored, but the firing has not yet stopped. The enemy is still shelling our positions, and it is not even hesitating from destroying civilian targets. We will, of course, inform the UNPROFOR officials about the behavior of the Yugoslav Army." said Zvonimir Valenčić. u

U.S. Accused of Acting Against Wrong Party

LD.2011.25102 Belgrade TANJUG in English
143 GMT 22 May 92

[Article by Branislava Stankov: "Why Is the U.S. Government Accusing Serbs in Bosnia?" *Interpress and Yugoslavia* 11]

[Text] Belgrade, May 22 (TANJUG)—The U.S. Government on Wednesday took real positive measures against the Federal Republic of Yugoslavia on the basis of unfounded accusations that the Yugoslav Army's aggression on the republic of Bosnia-Herzegovina continues.

The measures became effective on Thursday.

The U.S. officially explained that it was invoking the landing rights of the Yugoslav airlines because it said the authorities in Belgrade had not lifted the blockade of the airport in Sarajevo, capital of Bosnia-Herzegovina, and had not secured the delivery of humanitarian aid to war-affected populations in Bosnia-Herzegovina.

The accusations were obviously addressed to the wrong party since the Yugoslav Army has almost completely withdrawn from Bosnia-Herzegovina and neither it nor the Yugoslav authorities control Sarajevo airport and the situation in the field in that republic.

The U.S. State Department spokeswoman, Margaret Tutwiler, said that an attack allegedly staged by "Serbian forces" on a convoy with humanitarian aid headed for Sarajevo in which an International Red Cross representative was killed, was the last straw for the U.S. Government. Tutwiler cited as evidence of the alleged aggressor's "brutality" the alleged capture of several thousand refugees from Sarajevo in the capital's Serbian suburb Bihać.

The spokeswoman failed to inform the U.S. public that the convoy with humanitarian aid had safely gone through a corridor controlled by Serbs and was attacked on May 18 at the suburb Vratna which is controlled by Muslim-Croatian forces.

At the same time, it was not disclosed that International Red Cross representatives, themselves, had said that it was not known who had attacked the convoy.

Truth has also been concealed from the U.S. and world public about who and to whom the convoys of refugees had been swapped in Bihać. It was not stopped by Serbian forces but by unarmed family members and relatives of the 200 or so Serbs massacred by Muslim forces in the Sarajevo suburb Potoci on May 16.

The Bihać residents demanded guarantees from international forums that there would be no more massacres of Serbs in the settlements controlled by Muslim-Croatian forces and that the Army would be enabled safely to evacuate the remaining personnel from the besieged large under blockade.

The relatives of the innocent victims in Potoci said they would let the convoys of refugees proceed if over a hundred tons under-age cadets of the military school at the "Martial Tree" barracks in Sarajevo were safely evacuated. The

Sarajevo Army barracks have been kept under siege and fire by Muslim-Croatian forces for days.

The convoy of refugees was permitted to leave Bihać on Wednesday. In the meantime, Serbs supplied food and water for the held refugees.

Muslim-Croatian forces have staged a number of attacks on military convoys which were pulling out of Bosnia-Herzegovina.

A convoy of the 2d military district command was attacked on May 7 in Sarajevo while withdrawing under guarantees from the U.N. Protection Force of Yugoslavia (UNPROFOR). Eight army members were killed and many wounded in the attack.

According to unofficial figures, 49 army members were killed and many more wounded in an attack staged by Muslim "green berets" on an army convoy which was drawing from the town of Tešanj.

The truth about those crimes and the massacres of 120 Serbs in Srebrenica, eastern Bosnia, and 120 Serbs in eastern Western Herzegovina, and about the thousands of Serbs held hostage by Muslim-Croatian forces in Livno and Oštrak, for example, has not reached the public in the United States and those other Western countries.

Despite everything, the U.S. Government has announced a series of further measures it means to take in accord with its European allies in case "aggression in Bosnia-Herzegovina" continues. European Community experts on Thursday recommended severe sanctions against Belgrade—a trade and transportation blockade and an oil embargo.

In addition to addressing unfounded accusations to the Serbs, the U.S. Government and the governments of the majority of Western countries are consistently ignoring the efforts invested by Serbs for the resolution of tensions and the resumption of the talks on the future order of Bosnia-Herzegovina.

Western sources have failed to say that the Muslim side has ignored a unilateral ceasefire proclaimed by Serbs and rejected a Serbian proposal for Sarajevo to be proclaimed a free city.

Since Alija Izetbegović, Muslim leader and president of the tiny Muslim-Croatian province of Bosnia-Herzegovina has openly stated that he is ready further to sacrifice peace for an independent and civilian Bosnia-Herzegovina, it is clear that drastic measures against the Federal Republic of Yugoslavia will not produce any solutions.

It was our ten strength in a new European and U.S. policy, one which will respect the principle of equal rights for all citizens in Bosnia-Herzegovina.

Desperate Situation of EC Observers Described

12:00 hrs Hamburg 2d E UNPROFOR in Sarajevo
10 May 92 pp 187-188

[Article by Klaus Biesermann: "The Most Loser Ever," German EC Observer Klaus Biesermann on His Service in Sarajevo"—first paragraph in DFB SPDR/42 introduction]

[Tenn.] Bernsteinstein, 61, is a senior and top one of the crew for observation at Novato, Contra Costa, and Berkeley and Rutherford from July 1961 until now.

Afonso dos Santos is a man more than half-time in Portugal as a permanent member of the parliament. In September 1993 Tomás de Freitas, he was head of the EC observer mission's regional committee. This meant that he told probably the toughest job that the European Commission had to give to the new Portuguese.

In the last days of September the talks had been running with all sides. Muslims, Turks, Greeks, their Presidents and Prime Ministers gave the negotiator either to himself or to others, some other time to present his counteroffer with all the authorities that the UK still possessed to all three of the negotiating sides for tasks that would not have taken place without him and his work.

It is impossible to understand who people were over often time after time when so often their diets are failing us the city at one second moment, when people are living, and the other moment a greater calamity happens.

Cities are destroyed and villages attacked, not because they are military targets but in order to drive out the inhabitants. This is a war of terror. It strengthens despotism for it is something that thrives in the womb.

One feature I try present in the writing of the book, which written from around every 10 years, plus 1 intermediate and 1 annual. The thought of something happening is one of my greatest nightmares. The death of a beloved character or someone who was a family friend. What can you tell the beloved character when you expect a colleague to be their family expert or a beloved family as he walks toward it, only to be put down to a burst of fire from a machine gun?

I had been arranged that the EC can would constitute a group of informants to report any criminal action but what are procedures worth when over 17% citizens—who consider EC dishonest, are denied Remuneration—are dismissed against their will and forced to surrender their assets and compensation?

a tropical center. We managed to get the citizens of the southern land to the Southern Station prior to the appearance of any tropical disturbances. However, when the cyclone started in their territory, their timing was out of sync with their observations, rather than out of their own reasons. They got at the S.S. information and came within a hair of becoming lost as they left the Southern, a genuine case of being too

In October, near headquarters, the soldiers grew impatient. Mexican fighters had attempted to capture the fortresses situated on the western edge of the city but were repelled twice. The fortresses' machine guns maintained its control over the city, silencing the rebels.

Every night the tents stand by at the Wharf, underneath the ridge of the city. From dusk to early morning the seafarers, with the natural air of content, leave their ships and go ashore.

Our team stops a few when some fire can be started from inside 200 meters away. In this part during a migration and we might as well go up because it is better to be with your children.

More and more often UK users expect that they are being benchmarked on the performance of their work. They must prove one of three outcomes at minimum, outcome or exception, and often this can further lead to a group of managers (either in London or elsewhere) suggesting a formal test to test demand. The formal benchmarking aspect will particularly come in as if there are any anomalies in the results.

In the European context there is a situation not to difficult to imagine. The fact that we are German further enhances perceptions that long partitioned Germany is living in denial of its tradition of Totalitarianism. The EU's policy is sympathetic to the country's disengagement and it is Germany that drives EU policies that is the point that is consistently stressed today in the Southeast media.

That you begin to grow a bit concerned after a while. On a German base and you get out after it's impossible to get off land, where a marching band would be walking behind you based on the road? What happens if the mission team is evacuated suddenly and you have to return 'behind enemy lines' is a good feeling to have some British friends who share these concerns. The propaganda does not appear to work on everyone.

The same effect is not obtained if the original or derived heteroplasmy can land in the open area of the tree. This interpretation is difficult because the comparisons are incomplete and the new tree version of *stomach* is missing the fossils as assigned to the tree. However both heteroplasmy sites of *stomach* tree over the bulk of the homoplasies in newest *Dendroica* are from a great variety of localities that also contain other tree line of the species and hybrids.

In the end, said the FBI director, the "biggest" threat to national security is the loss of their power. The corporate and government officials running the US need

In addition, in order to be informed to complete the file
we are still trying to trace all members of others. This cannot
be blamed for the failure of the government in Venezuela to
oversee the bringing about peace in the conflict among them
and the lack of political will to do so.

Throughout the 80' section on the ground floor there had to be continuous floor joists due to a single girder, as proven by countersink holes, from the blackened heavy timber at the conclusion of columns from below.

We must not let the people who are working on it / In the
One True Church One Nation's mission other people in
Germany will have their hands free.

Proletarian Struggle as 3 Separate Parties

(B) Central Bureau MPP at Central Committee of MPP C/20-26/17

Letter to Draper (see "Proletarian Struggle" -first paragraph in MPP introduction)

Text) For the time being, the disagreements in the three largest parliamentary parties in China have the character of conflict. And the so-called social democratic wing separate from the MPP (without Isidorov Pash), because the MPP National Democratic Movement (which itself is a group of four individuals' suggestions) did not have the authority, because Drapkin (Makarov) was removed at the last session of the State Council.

During Drapkin's discussion a more general discussion on "disagreements" was raised about whether the principle "We are strong and that the line existing the most" applied to him and Drapkin. The president of the Communist Party answered with a non-committal smile that it is clear that the disagreement between in general does not interfere with a ruling the state, and in the regard there is no dispute about who is involved. In their opinion, in fact there is little left that the parties opposed to the ruling one could gain other without something too directly connected to the state or the government.

When discussions against the government came from the Communists, there is nothing strange about it, that communists are also being forced more and more often from the ranks of the ruling party and Drapkin (Makarov) indicated in MPP the reason for his dissatisfaction. The MPP program can "through" present a vision of a social market economy something similar to the Chinese model, i.e. a half-social market economy where bourgeois competition is balanced by a controlled social market system. That program does not have the word about the role of private role in the economy. What we hear is precisely to find the MPP being bourgeois organization which partly represents 27 percent of the total economy and have been transformed to a new organization, except for 10.7 (against the Free party), have completely passed into the hands of the state and there is now more a question of control remaining. The government has announced itself as the chairman of the Bank of Russia, in the same time through the formation of unions, local self-government has been taken away from the regions and communities or continuing from building genuine or conservative. The kind of role for the state was not in the program either.

Opposition in the MPP

The Socialist Party is obviously no longer competitive either and it is not the People are taking more and more open about its "total" wrong and even about the formation of a new social democratic party that will emerge from part of the MPP.

The Socialist Party was apparently formed more as a community of interests than as a political community. Its primary goal was to win the election. There was no much thought about whether the coalition proposed would be

able to ensure the main position responsible and participate in the legislative process, and this led to the formation of a "total majority" within the MPP. According to the then characteristics of that majority according to our information, was an attitude that "they did their part" and "ensuring the majority," and as they are called, support from outside to the government which is "nothing of ours." Then we will no longer whether the role of Socialist candidate (separately by the party leadership) was a consequence of negligence or as the common initial planning.

The group of "those others" (opposition) is not negligible in number either. This could be seen in the reaction of the vice of the Law on Ensuring a Social Program, which was withdrawn only after rather strong and open pressure from the party's leadership and from Proletarian Makarov himself. It is in this context that one can also see the demand in these discussions to take into account those closest to the leader during voting on Berezin's presentation. Later he said that he had insisted on this because "he expected that there were those in his party who were懷疑的" (doubtful).

In deciding on the issue of church property, it is clear that they want the "懷疑的" ones (doubtful) but nevertheless remain without support their position. But this was due to the opposition's voice.

Apparently they were mostly also involved in trying to set the correct party line, at the expense of the interests of the new head of the MPP (opposition group). According to our sources, it was planned that someone among the "young generation" would get that position, and thanks to the church majority, this would go through without difficulties. Since the majority group is not too courageous or involved in the work of the opposition group, these others always prepared and claimed Berezin like a "representative among religious and the director of a national factor." So far nothing evidence.

Second Congress

Nevertheless, our information emphasizes not about the impact the great Drapkin (Berezin)'s coming to lead the opposition group. From all indications, he is a sufficiently without the previous negative communication—with them on their own clearly outlined political platform. It seems that Berezin is not backed by any influence line within the ruling party. On the contrary, the opposition who do not want to enter conflicts as a ruling themselves are a considerably heterogeneous group. Some are concerned primarily in economic issues, although it can be expected that in other fields will also find more and more with your position. Some of them have already had an opportunity to perceive that a socialist market economy cannot be built in the sort of political system whatever. Their tasks will probably be the gradual reintegration of key positions in the MPP and the transformation of the party from within.

The second group of dissatisfied (opposition) consists of those who have anticipated the formation of a new opposition group within the framework of the MPP, and then after the formation of a new party—the Social Democratic Party. There was even discussion of the place (Sverdlovsk) and the date of its proclamation (or has passed). One of the conditions of

The action, according to unofficial sources, was organized by Vuk Draskovic, who is also president of the Democratic party along with a group of deputies present from southern Serbia, and judging by certain sources, also from many other national minorities (figures of about 30 deputies, probably exaggerated, has been mentioned). Their current course is mostly focused on involving the Serbian national question, and their intention of the party's leadership would allegedly be massless demobilization and radicalism in involving the Yugoslav crisis.

Whatever happens with the decision, there is reason to expect a massive Serbian Party congress (a new eighth session), which naturally does not mean that any more fundamental changes will really happen as well.

Observations About the Elections

The recent session of the SPC's central administration also showed that negotiations are not always fulfilled. At this meeting, the atmosphere around which was suddenly turned up to its being closed to the public, nothing happened. The lack of major changes can be explained by the fact that the members who are more radical on the national question have already left the party, and thus that factors i.e. who is left of it does not have the strength to impose any sort of change or what is now the dominant and orientation of the SPC. Disagreements within the party is their pronounced in the case of the method of further actions. The pessimists, and especially Vuk Draskovic himself has already been advocating leaving parliament for a long time now, but the deputies group besides on that independent. In writing at a committee except one deputy (Miljan Markovic) was in favor of staying in the Assembly. Zoran Petrovic informed 50% of his reasons.

The Assembly members will have no purpose. It is a bit surprising, but practice has shown that from time to time it is necessary to remind the people that their systems are empty, and that their freedom of movement is restricted. This has to do with the certificates for leaving the country, and to remind them of the seriousness of war before trying to organize the migration of the white plague, and the generalized opinion of those who are waging war.

Another issue over which there was recently a split in the SPC is the issue of participating in the elections. The majority's position is that--or do it only if certain conditions are met. There were people willing to participate in the elections even under the present circumstances, however. There were mainly the Vojvodina communists, who feel that the trend is such that the opposition would be won to win at their expense. Yet, no participating in the elections would give the opposition a return their rights, and some of them would provide cover for the Serbian Radical Party, which along with the SPS and the LC Movement for Yugoslavia would manage all the positions in the operation, "which would marginalize the democratic opposition to a great extent."

There have also been disagreements within the Democratic Party over the local elections that have been announced. Its decision not to participate is well known, but specific demands have also been made. A considerable number of

the Main Committee's members considered these demands exaggerated and estimated ones that would be more acceptable to the authorities, at least theoretically. This would have open the possibility of participating in the elections scheduled for the end of May.

Socialist Dissidents

Our sources say that this group also included the party's president Dragoljub Mihailovic, but after a 10-hour discussion, he was expected to a very small change in the number of votes. The outcome of different factions in the Democratic Party was also discussed before. The group most inclined to compromise with the authorities because democratic or otherwise within the party, and its representatives best known to the public are reportedly Milosavljevic, Zoran Djordjevic, and Dragomir Tomic. They stress upon active collaboration within an institutional framework and its institutional means, viewing politics above all as the art of compromise and adjustment. The adherents of a sharper course (as best-known representatives are Vojislav Kostic, Vlado Jankovic, and deputy Mirko Perisic) agree in principle with that definition of politics, but only if there are regular, fully democratic conditions for the political struggle, which, they believe, is not the case here and now.

If one follows the Main Committee's demands for several months back, one gets the impression that the second factor is now becoming dominant (the demand for scheduling elections for a constitutional assembly, first a republic one and then one for the next year, the election of a person for recalling the president of the republic, the Germans to support the local elections.)

The three largest parliamentary parties in Serbia are officially becoming divided. For the time being, however, one should not expect any spectacular changes. The only surprise in the near future could be the shift of some SPC deputies to the Democratic Deputies' club, which has been announced by Jovo Velicko, the secretary of the Democratic Party. The people from the ruling party with whom we speak, however, do not know who the possible Socialist dissident could be, and it is even more interesting that Vojislav Kostic, the Democratic Party's vice-president, does not know anything about a writer according to his own statement. The game of hide-and-seek is continuing.

Serbia Commemorates Parade of Generals

at 2007/11/1991 Belgrade ARD/LJ/14/000004
in Serbia/Volume 26/17 May 97/pg 6

[A commentary to Slobodna Srpska "Second Victory of Unified Serbia"]

(Tito) The great "brave" of the generals of the Yugoslav Army, which was decided (in some surpresaingly) on 8 May to the "collective chief commander," presented by Dr Branko Kostic, a self-making headliner in the domestic and international press. And it is bound to continue attracting too much media attention, until the next similar step by the federal authorities, for which we will not have to wait long.

Statements made by some people affected to this decision are confirm assumptions that the "braving of general

'operation' was prepared with great care and rather contemptuously, and that both civilian and military command failure over a certain migration took part in it. The final act was carried out more skillfully and effectively than any operation by units of the so-called Yugoslav People's Army, or the ethnic war on the territory of former Yugoslavia.

Branislav Kostic's desire to deny, or focus of the representations of the "seventh floor" [referring to the press] on 11 May, after the closing of the 38th International Technology Fair in Belgrade, the thesis that Slobodan Milosevic was behind the "operation" ("it is a result of completely unfounded guessing") can only have an effect opposite to the deserved one. Kostic's confessions, displayed at his reference to "change in the Army leadership" (for which he will not be forgotten) speaks of change as a forced act, rather than of resignation as a voluntary act. That sheds more light on Kostic's order for the purging of the generals, which has been interpreted in various ways by the international and domestic public.

The most common interpretation is that the "handover committees" in the military leadership have left, thus giving room to the "younger cadre, which is not burdened by communism," that "unsuccessful and once-great" whose time had passed, had to be replaced by "young and capable officers."

However, definitions such as "communist believers of Tito's legacy" and "ideological purists," "old and inept" and "young and capable" and "hardline" and "flexible" are all marginal. Among the generals who have been spared by the "true broom" one can easily find many others that could be even the most simplified of standards, bear a negative profile. The changes in the Army leadership have been made along entirely different lines to these.

"Bottomless Folly"

The largest number of those affected by Kostic's decisions were those who met at least one legal condition for purging, or came very close to it. They make up half of the 18 people persecuted, so in that respect Mr. Branislav Kostic is right when he says that this mass purging of generals should not come as a surprise. That group accepted the decision on purging with calm, and Negevatic's critics count on them in the process of creating moral exertion of those who persecuted them. Another group is defined by the fact that this time all non-Serbian generals have been "young aside" (Petar Karanovic, Rantovski, Koncanik, Nekolicnik, and Prstajac). Then there are those who have been most inclined to call themselves Yugoslavs than Serbs and certainly not Serbs who accept Milosevic's policies. In connection with that, an Army commentator recently commented: "We believe that the Serbian officers at this moment have the most difficult task in the history of their people, because they are finally having to pay for their grandfathers' Yugoslav folly," (meaning almost all the persecuted Serbs, together with Adzic). And finally, the criteria for the purging was success at work, which Dr. Kostic put in these words: "There are a number of officers whose work we do not find satisfactory." According to unofficial

sources, this referred to Radovan Karadzic, Negevatic, Rantovski, and, of course, Adzic.

So let us have a closer look at some of the more prominent names from the list of 18.

In the case of Blagoje Adzic, resignation is only a more bearable option for Adzic himself. He will not remain easily because he was convinced that everything he did was for the common good. Asked how to live after the proclamation of the new constitution of the Federal Republic of Yugoslavia he said: "Like a citizen lives when he sees that his country is surviving. The members of the Army must do all they can to defend this Yugoslavia. So is he himself and many times a Yugoslav through and through. But still, a very crippled Yugoslav burdened by the terrible weight of his family, which was murdered by the Croatians in that other war. His unsuccessful secret dialogue with the parents of those soldiers caught in the whirlpool of the Bosnia-Herzegovina battlefield only confirmed the earlier decision to inferior birth of the function to which as the headquarters barracks going had it. He was simple and naive.

The appearance of Marko Negevatic's name on the list is the greatest surprise for many. Although it was he who defended Serbia in defendant in Cetinje, he failed to impress the Serbian public. He probably did not keep in mind the fact that the same public could not forgive him and the Service for military security whose leader he then was for the amateur approach to the July war in Slovenia. Obsessed with his career, he did not want to realize that he could not behave like a Serbian military minister as he did in the general staff, and that he had to submit himself to the leader. Still, it was widely believed that he was more skillful a player or "great general" than he actually turned out to be and that he would not sign on the Santana post as definitely before him to Mr. Dabija Cetinje. The master of the order.

Importing a Trapeze

The removal of Milutin Lukic from the command post of the Second Military District is a radical step by Kostic's so-called Presidency. If although she had been in Lukic's place, the same thing would have happened, it is impossible to find one's bearings in the great political turn-up. The range of Lukic's commanding in the Bosnia-Herzegovina war went from media popularity, when the naive people believed that Lukic and his army could save them from the魔 that had been imported to Serbia, to the impersonation of Vlado Djordjevic and the death of many innocent, mostly young people in the Sarajevo pulling out of Sarajevo. That finished his military career.

After the Sarajevo war Djordje Djordjevic replaced Major General Lukic as commander of the then Fifth Military District. The Croatian media branded him with good reason probably as "the idiot." However, after the war in Croatia and particularly after the Triljatova case, it turned out that Djordje was not so... after all and perhaps not as skilled a commanding officer as he had seemed. He is going into retirement satisfied.

It is hard not to sympathise with Stane Šćepić, officer of the Croatian army, during the war in Croatia, although we would have heard of Andrija Kašeta. As it happened, with the help of the mass media, Kašeta hit the headlines worldwide, although he does not care much for his own popularity. He is not one to sweep over his fate.

Things are different for Milan Gavrović. Two or three years before our catastrophe, he was a representative in the Supreme Assembly, who "protected Army members" and "opposed local organisations," which greatly influenced his role in the Army. Milan Gavrović was the first colonel to be promoted to a general in the Yugoslav war. In the middle of last September, he was taken prisoner by the members of the Corps of the National Guard, the news of which made a sensation the world over. He spent nearly 77 days in imprisonment. All that time he was at the heart of the Yugoslav regime, from Ljubljana to Sarajevo. Some colleagues envied him, saying that he got hold of a general rank easily. However, even if his health had not been ruined by the experience, he still could have not been anything but a great loss.

There are three more wagons on the list: Vice Admiral Miodrag Jakić, and generals Štefan Škoro and Živojin Janković. The latter two are pacifists rather than some sort of war eagles, although they both commanded a corps-battalion, the Tuzla Corps, and Škoro, first the Knin Corps and then the Bihać one. Judging by some statements they made, they were becoming tired of it all, which was a bit about their attitude towards retirement. Admiral Jakić had been chosen for defence of the Republic of Serbia before he was sent out to the Dubrovnik battle zone. He did not escape the curse of those who had all their programs "written in the ground" items.

Šćepić Čabria is a man who made a从 soldier to colonel-general. He holds a doctorate in economics, and had been the Army budget planner for years. He did expect to be invited, but a man from Šćepić as a surprise to him to be sent packing with Škoro.

So, the second great swaying of generals is over (the first one was on 28 February). By all now 16 generals have been pensioned off, and there are at least as many about to leave active service. The second swaying was more damaging than the first. It came suddenly, and caused great confusion in the various buildings of the Federal Secretariat for National Defence. They say that after the news reached them, the telephones were used until they became red hot. People were confused and were frightened because others, promised them the cuts in their salaries, that is, pensions, have to count on a 40-percent drop in their living standards. So it is no wonder that many officers and civilians in the Army offices put up a bitter struggle to avoid the wave of retrenching off.

Macdonald Security Council Membership

438895/18 Skopje MDH & MAKEDONIJA
in Macedonia 1-2 May 92 p. 1

[A distributed report: "Macdonald Security Council Established"—first paragraph in MDH & MAKEDONIJA introduction]

[Text] According to the Constitution, Kiro Gligorov, president of the Republic of Macedonia is council chairman.

In accordance with the Constitution, on 31 March Kiro Gligorov, president of the Republic of Macedonia, submitted a resolution on the structure and the naming of a chairman and members of the Republic of Macedonia Security Council.

On the basis of this resolution, according to the Constitution, the president of the Republic of Macedonia is the council's chairman. The following were appointed council members: Svetozar Radić, chairman of the Republic of Macedonia Assembly; Dr. Nikola Kloshev, prime minister of the Republic of Macedonia; Dr. Ljubomir Frakovski, minister of internal affairs; Dr. Trajan Gavrilović, minister of national defense; Dr. Denko Matović, minister of foreign relations; Krsto Crnčevski, retired; Dragoljub Mihailović, deputy chairman of the Republic of Macedonia Assembly; and Colonel General Todor Atanasovski, retired.

In accordance with Article 86 of the Constitution of the Republic of Macedonia, the council consists of the president of the Republic of Macedonia, who is its chairman, the Assembly chairman, the prime minister, the minister in charge of security, defense, and foreign affairs, and three other members appointed by the president of the Republic.

According to the Constitution, the council will deal with issues related to security and defense and submit proposals to the Assembly and the government.

Loyalty Oath for First Macedonian Conscripts

438895/18 Skopje MDH & MAKEDONIJA
in Macedonia 1-2 May 92 p. 1

[Article by Z.P. "General Staff of the Army of the Republic of Macedonia Specifies Terms of Military Service"]

[Text] The first contingent of recruits of the Army of the Republic of Macedonia, who arrived at four garrisons in the Republic in the month of April, as we have already reported on several occasions, will give their loyalty oath in the course of this month. According to the information service of the General Staff of the ARM [Army of the Republic of Macedonia], the loyalty oath ceremony at Skopje garrison will take place on 9 May, Saturday, and one day later at the Bitola garrison. One week later, on 16 May, the conscripts will swear their oath of loyalty at the garrison in Štip and, on the following day, in Okolici. All activities will start at 1000.

27 May 1992

YUGOSLAVIA

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This being an exceptional military event in the life of every member of the Armed Forces, who must swear a loyalty oath to his fatherland and to the citizens, inserted in the text of the loyalty oath is natural. It has already been drafted and submitted for review by the pertinent authorities and agencies, and, according to our information, the final version will be checked by the president of the Republic, as well. The oath will be a very brief, concise, and progressive text, free from ideologic and elements of chauvinism and patriotic pathos.

Although the definitive text may be subject to some changes and additions, as proposed, the text of the loyalty oath reads:

I (first and last name) swear to defend the freedom, sovereignty, and territorial integrity of the Republic of Macedonia. I shall perform my duties and obligations in a disciplined, conscientious, and responsible way, as defender of my fatherland, the Republic of Macedonia, and shall struggle for its freedom and honor.

END OF

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